CHAPTER II

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CHAPTER II

REVIEW OF LITERATURE

2.1 Chapter Overview

This chapter covers related literature on theoretical foundations of strategy, recruitment strategy, and employee retention. Considering related literature, gaps in the research are identified. The same is followed by list of variables under study and its operational definitions. It also includes hypotheses of the study. At the end, concept map is presented.

Before reviewing related literature it becomes essential to understand the theoretical foundations of strategy, recruitment strategy and employee retention.

2.2 Theoretical Foundations

2.2.1 Strategy

The term strategy within human resources management, as well as in general, is often used, seldom clarified, and frequently assumed to be one-dimensional. According to Mintzberg (1978), the term strategy is typically used to define the deliberate and conscious act of planning for the future. However, this is limiting and arguably inappropriate. Mintzberg (1978) elaborates: “... by restricting strategy to explicit, a priori guidelines, it forces the researcher to study strategy formation as a perceptual phenomenon, all too often reducing his [her] conclusions to abstract normative generalizations.”

A brilliant strategy may put you on the competitive map. But only solid execution keeps you there (Neilson et al. 2011). Strategy in general and realized strategy in particular, is defined by Buck and Watson (2002) as a
pattern in a stream of decisions. The realized strategies are not necessarily the same as the intended strategies, but rather represent the strategies that have evolved based upon implemented policies and practices. In other words, when a sequence of decisions in some area exhibits a consistency over time, a strategy will be considered to have formed. Porter (2011) contends that operational effectiveness is different from strategic positioning. Operational effectiveness is performing activities faster, or with fewer inputs and lesser defects than the other competitors. Strategic positioning is performing different activities from rivals, or performing similar activities in different ways. It attempts to achieve sustainable competitive advantage by preserving what is distinctive about a company. He further explains three principles underlying Strategic Positioning. They are: a) Strategy is a creation of a unique and valuable position, involving a different set of activities. b) Strategy requires one to make trade-offs in competing – to choose what not to do. c) Strategy involves creating ‘fit’ among a company’s activities (Porter, 2011).

The strategy perspective can be further explained in the context of Human Resource Management (HRM) activities.

2.2.2 Strategic HRM (SHRM) and HRM Strategy

Snell, Youndt, and Wright (1996) viewed Strategic HRM as “organizational systems designed to achieve sustainable competitive advantage through people”. Ulrich (1997) describes Strategic HRM as “the process of linking HR practices to business strategy”. HRM strategy involves identifying those HR capabilities needed to implement business strategy and adapting those HR practices and policies for gaining those capabilities. The process of Strategic HRM is a goal-directed (Wright & McMahan, 1992). Therefore, researchers should evaluate the extent to which those goals and objectives are achieved through the process implemented for the same. (Becker & Gerhart, 1996; Kaplan & Norton, 2001; Steers, 1975).
According to Bamberger & Meshoulam (2000) there is likely to be a difference between a firm’s “espoused” HR strategy and its “emergent” strategy. Espoused HR strategy is the pattern of HR-related decisions made but not necessarily implemented. It is often explicated as part of “corporate philosophy” or included as a central component of a managerial mission statement. In contrast, the emergent HR strategy is the pattern of HR-related decisions that, although perhaps never made explicit, have in fact been applied: that is the gestalt of negotiated people-related policies and practices in use.

Buck and Watson (2002) define ‘realized HRM’ strategies as the manner in which the institution handles generic aspects of the relationship between the employer and the employee. These generic aspects can include the degree of decentralization, the compensation method, the employees’ participation programs levels, the degree of training and development activities, the skill-sets of employees and the system of social interactions within the organization. These generic aspects can be examined individually or holistically as a system. The realized strategies are not necessarily the same as the ‘intended strategies’, but rather represent the strategies that have evolved based upon implemented policies and practices.

Human Resource Management (HRM) strategies define how the HRM function and and in what manner organization’s human resources should help in achieving organizational goals and objectives. When HRM provides opinion and comments about the ability of SHRM in contributing attainment of organizational goals and objectives, the degree of vertical structural alignment is expected to be greatest (Lengnick-Hall and Lengnick-Hall, 1988).

Model by CIPD (2001) given in figure 2.1 depicts that HR practices leads to HR outcomes. HR practices can be various recruitment practices adopted by
the organizations and outcomes can be the level of commitment or turnover intent of the employees.

Figure 2.1: Model of the link between HRM and Performance – Source CIPD, 2001

It becomes essential to understand founding theories of Human Resource Management. The same can be briefly explained below:

Socialization Theory

Socialization theory investigates an organization's culture, values, beliefs, and practices (Wanous et al, 1984). Organizational socialization helps prospective candidates with certain valuable data about work profile and the organizational culture in order to facilitate an effective person/job match (Adkins, 1995). Therefore, certain recruitment practices like employee referrals give prospective candidates up-front organizational and job related information. It is seen in the research studies that both perceived and actual organizational fit affect an employees’ approach toward leaving an organization (Ravlin and Ritchie, 2006), and that socialization strategies help to hold the employee into the organization and reduce turnover (Allen, 2006).
Resource-based view

Resource-based view (RBV) theory has strong implications for SHRM (Wright, Dunford, & Snell, 2001). It gives theoretical viewpoint from which organizational science research can consider internal organizational resources as a basis for sustainable competitive advantage (Barney, Wright, & Ketchen, 2001). Based on Barney’s work Wright and McMahan (1992) contended that if four basic requirements are fulfilled, human resources can be considered as a source of sustained competitive advantage. First, they must add value to the firm’s production processes. Second, the skill set that the firm wants to seek must be rare. Third, firm’s combined human capital investments in the form of employees cannot be easily imitated. Finally, to provide a source of sustainable competitive advantage, firm’s resources must not cause the experience replacement by technological developments or other substitutes.

The multiple stakeholder perspective

The multiple stakeholder perspective explains conceptual framework that can improve our ability to correctly define and measure organizational effectiveness (Freeman, 1984, 1985; Schuler & Jackson, 1999; Freeman & McVea, 2001). The systems theory involves underlying assumption behind the integration of a multiple stakeholder perspective in SHRM research. The systems theory (Ackoff, 1970, 1974; Buckley, 1967) lay emphasis on the view that organizations are open systems rather than independent ones which requires the support of both external and internal stakeholders in order to effectively deal with relevant organizational issues and problems (Freeman & McVea, 2001).

The concepts of vertical and horizontal linkage

The HRM practices deployed by the organization must be linked with various organizational resources to create value, generate sustainable competitive
advantage, and improve organizational effectiveness (Delery, 1998; Delery & Doty, 1996; Huselid et al., 1997).

Systematic agreement theory (SAT)

According to Semler (1997) systematic agreement theory (SAT) presents a structure in which organizational alignment – i.e., the degree to which an organization’s design, strategies, and culture are assisting to attain the same desired goals. Such alignment is proposed to enhance organizational effectiveness in the form of accomplishment of organizational goals and objectives and create competitive advantage (Semler, 1997). Given below are few types of alignments:

A. Structural alignment

Structural alignment refers to the congruency between the objectives of different organizational activities or processes and the way SHRM is intended to bring forth the behaviours necessary to meet those objectives (Semler, 1997). Consequently, vertical structural alignment refers to the degree to which the goals, objectives, and strategies for important organizational processes are harmonizing throughout the organization for these processes to add value toward the achievement of the goals and objectives of the organization as a whole (Kaplan & Norton, 2001; Semler, 1997). Horizontal structural alignment refers to the extent to which an organization elicits behaviours or outcomes from its personnel resources that are in congruence with those behaviours or outcomes necessary for the attainment of organizational goals and objectives (Schuler & Jackson, 1987; Wright, 1998). Such horizontal structural alignment is realized through two important fundamentals: The first important fundamental of horizontal alignment entails staffing (e.g. hiring and selection), developing (e.g., training programs), retaining (e.g., performance appraisal and management) and empowering (e.g., self-directed teams) a labor force (Way, 2002; Wright & Snell, 1998). The
second important fundamental of horizontal alignment includes motivating these human resources by way of performance-based compensation (Way, 2002; Wright & Snell, 1998).

B. Cultural alignment

Cultural alignment refers to the way an organization’s leadership over and above SHRM stimulates an organizational culture to support strategies of the organization and helps achieve goals and objectives of the organization (Semler, 1997).

C. Performance alignment

Performance alignment refers to the degree to which the organization’s real results are equivalent to those results important for the organization to achieve its goals and objectives (Semler, 1997).

D. Environmental alignment

The last characteristic of SAT is environmental alignment, which replicates the strategic fit between the needs of the external environment and the chosen vision, goals, and tactics of the organization (Semler, 1997).

Strategic Reference Points Theory (SRPT)

SRPT has a strong conceptual framework that integrates three significant dimensions related to alignment: (i) internal circumstances of the organization; (ii) external circumstances of the organization; and (iii) time (Fiegenbaum, Hart, & Schendel, 1996).

The competitive business environment of 21st century reflects the factors such as aging and changing workforce in a high technology workplace that demands and rewards the ever increasing skill and increased global competition in almost every sector of the economy. Human resources
represent a quantitative and qualitative measurement of the workforce required in an organisation. The effective management of these human factors is required for the success of an organisation. An example of the impact of the HR function on the organisation can be seen from a Hewitt research paper that states that a 10% increase in attracting and retaining pivotal employees adds approximately $70 to $160 million to a large-sized company's bottom line. An area of concern for HR is that our tools and techniques are not consistently applied. Finance has balance sheets and P&L accounts, marketers have Boston boxes and STP, strategists have ‘five-forces analysis’ GE strategic positioning matrices and value chains, and so on. HR tools needed for strategic input vary from organization to organization – there is not even an agreed way of reporting headcount (staff working flexible hours, for example). This means that a common understanding of how HR should intervene does not exist, making for fragmented and inconsistent approach. There is a need to rectify this by having a generic form of strategic intervention – at the very least, some tools techniques that can be agree as best practice. Though less there are few studies on recruitment strategy that can be described in the following sections.

2.2.3 Recruitment Strategy

Adding a new person to workforce of an organization is one of the crucial decisions. The process of recruitment emerges as one of the most critical and strategic process in any organization. Christopher Lewis (1985) has distinguished between recruitment and selection alongwith definitions of both the terms. According to him, “Recruitment is the activity that generates a pool of applicants, who have the desire to be employed by the organization, from which those suitable can be selected”. He defines Selection as, “The activity in which an organization uses one or more methods to assess individuals with a view to making a decision concerning their suitability to join that organization, to perform tasks which may or may not be specified”. It can be seen from the definitions that the first stage of the process is labelled recruitment, and
second selection. But there are clearly selection activities in the early stages – for example, specifying necessary academic qualifications in job advertisements- and recruitment activities in the later stages – for example, using a selection interview to persuade good applicant that he ought to join the organization. Boudreau and Rynes (1985) explain distinction between recruitment and selection. They define Recruitment “as activities or practices that alter the characteristics of applicants to whom selection procedures are ultimately applied”. “Selection in turn, involves evaluating predictor information for purposes of making a final hiring decision”.

![Diagram of Organizational strategy]

**Figure 2.2: Organizational strategy**

Paul Windolf (1986) contends that the selection of a specific recruitment strategy is dependent on both environmental constraints like labour market...
power and the internal resources like organizational intelligence of the organization which further leads to the kind of workers recruited in the organization. The supremacy of the organization in the personnel market decides the scale of choice which the organization can put into effect in deciding a specific recruitment strategy. Organizational intelligence describes the competence of the firm to use professional knowledge, to gather and process information, and to design multifaceted labour market strategies. Figure 2.2 shows various strategic decisions made while performing recruitment function in the organization (Fisher et al., 2005)

Windolf (1986) further highlights on four recruitment strategies that might be useful for the organizations. Firstly, in the innovative strategy the firm tries to attract the possible potential 'innovators'. Secondly, the status-quo strategy, which is exclusively oriented towards its traditional market segments. It tends to employ people with similar degree of skill and professional experience, from the same social status and with a similar social background, age, and sex as those already employed in the company. Thirdly, the Autonomous strategy follows recruitment process with accurate definition of the ideal candidate in terms of age, sex, and professional experience. Skills, age, and job experience are usually specified within a narrow range. The firm refrains to adapt its requirements to prevailing market conditions. Neither unemployment nor full employment is likely to change the demand structure of such firms. They ‘skim off’ the market because they are at the forefront leading the queue of employers in the labour market. Finally, the flexible/muddling-through strategy of firm does not typically enter the market with a specific outline of the ideal candidate rather it screens the market to ‘see what is available'. Once market information is obtained, the firm decides how to reframe its own division of labour and whether training has to be given.

Rynes (1991) defined recruiting as encompassing “all organizational activities and decisions that affect either the number or types of individuals who are
willing to apply for, or to accept, a vacancy”. Myres (1992) defines recruitment as the human resource management activity of developing external and internal sources of qualified applicants. Actually it is a combination of activities that can be manipulated independently. Barber (1998) pointed out that the first phase of recruitment as the period when a firm uses an array of different practices to attract individuals to apply to the organization. In addition, success of an organization in its early stage of recruitment restrains the supreme value of the recruitment process as a whole because the effectiveness of succeeding recruitment operations can only make or mar the size and quality of the initial applicant pool (Carison, Connerley, & Mecham, 2002). Recruitment is an organization's way of actively reaching out and inviting applicants (Berry 2003). It is the process by which organizations locate and attract individuals to fill job vacancies.

Past Recruitment Research

Varieties of researchers have worked on recruitment practices, recruitment effectiveness, and applicant reactions to recruitment process. Their research work can be explained chronologically. Schneider (1987) has hypothesized that people are a function of the attraction-selection-attrition (ASA) cycle, which is a model that proposes individuals with similar personality and values are attracted to certain organizations and selected by these organizations. People who do not agree with the patterns and values expressed by the organization will eventually leave (attrition). This ASA framework suggests that the recruitment activities that an organization utilizes greatly impact the created applicant pool. The vital aim of the recruitment process is for the participating parties viz. interviewers and candidates is to negotiate a "psychological contract" (Herriot, 1989). In addition to justice considerations, the "psychological contract" model includes perceptions of one’s affective and cognitive conditions during the process and their general perceptions about testing and hiring as probable determining factors of personal and
organizational results. This can be done by stating their respective expectations, assuming them, or inferring them.

At the same time Sara Rynes (1989) anticipated that recruitment research might become a more fundamental factor in determining recruitment practices if it were to ask more critical questions, such that it should be designed to answer the critical questions, frame new set of questions and show results, no matter how specific, in relation to the broader recruitment context and environment they are. After reviewing past research she helps researchers with model for future recruitment research. The model given in figure 2.3 above which states that future research should consider the way recruitment activities lead to recruitment processes, and how the same affects recruitment outcomes.

Rynes and Barber (1990) and Rynes (1991) have criticized recruitment research on methodological ground, i.e., of being very naive and not capturing
the real world complexities thus being unrealistic. Prominently, much of the empirical research have relied on candidates' perceptions of job attributes and recruiting practices composed simultaneously. Powell (1991) proposes the importance of additional longitudinal research before any definitive conclusions about the long-term effects of recruiting practices can be reached.

As an extension to the HRM strategy theories, Organizational justice theory explains how applicants’ perceptions towards justice develop and later on change various outcomes in selection situations (Gilliland, 1993). This theory involves the perceived fairness of (Greenberg, 1993):

i. outcome allocations (distributive justice),
ii. Rules and procedures used to make those decisions (procedural justice),
iii. Sensitivity and respect shown to individuals (interpersonal justice), and
iv. Explanations and accounts given to individuals (informational justice).

These perceptions affect future attitudes, intentions, self-perceptions, and behaviours of employees. Applicant reactions are often operationalized using procedural justice dimensions. According to the "procedural justice theory" (Gilliland, 1993), the applicants identify and assess the selection process in considering its fairness, viz, their satisfaction or violation of a certain set of specific procedural norms which are related to face validity, as well as communication and interpersonal behaviour. Procedural justice perceptions during recruitment process seems to relate to important outcomes for the organization, such as organizational commitment (Robertson et al. 1991), organizational attractiveness and recommendation that the candidates make to others related to the company (Smither et al. 1993). Procedural justice perceptions forecast employee behavioural patterns such as job satisfaction,
commitment, turnover, and their performances (Konovsky & Cropanzano, 1991). Even though research convinces that the result of the selection process is a more important factor determining the organizational outcomes than the perceptions of the transparency of the process, perceptions in relation to procedural justice still envisage organizational outcomes beyond selection process results (Bauer et al., 1998). Hence, the finest research design should also include post-result outcomes of applicant reactions.

Newton (1998) suggests that the recruitment process is not just a function of the organization, but rather an interactive process where both the organization representative and the applicant make decisions. While explaining the recruitment process, Barber (1998) outlined three phases i.e., generating applicants, maintaining applicant status, and influencing their job choice decisions. That is, (a) specific recruitment practices may influence the number and type of individuals who apply for an organization, (b) few activities may force applicants to leave during the recruitment process, and (c) few more recruitment actions may decide whether a job offer is accepted or not.

Next attempt to theoretically connect recruitment practices with candidates' responses hails from the person-perception theory. It enhances upon primary theoretical structure to include additional antecedent and moderator variables (Ryan & Polyhart, 2000). Breaugh and Starke (2000) explain a model of organizational recruitment process in their seminal paper. This paper talks about recruitment objectives, strategy development, recruitment activities, and intervening process variables resulting in recruitment outcomes.

Hausknecht et al. (2004) in their study points out that applicant with positive perceptions about recruitment process are more likely to see organization positively and show eagerness to accept job offers. They developed an updated model of applicant reactions to selection process. This model proposes that vital results can be best predicted by perception of applicants towards
selection process. Those relevant results include recruitment practices performance, self-perceptions, and different of attitudes and behaviours like commitment and turnover intent. Perception of applicant takes into consideration various dimensions of organizational justice, thoughts and feelings and attitudes about recruitment testing and hiring process. This model can be depicted in figure 2.4. In this theoretical model, Hausknecht, et al. (2004) measured both organizational justice perspective and attribution theory. The authors contended that it was not precise whether applicants see the hiring practices through a justice or attributional lens. They summarized that fairness perception, attributions towards the organization, or both may influence applicants’ reactions if there is a long delay in such situations. eg. Few applicants who experience unwarranted delays may not like the process and form negative perceptions towards the organizations without viewing the process as unfair.

![Updated Theoretical Model of Applicant Reactions to Selection](image)

_Figure 2.4 Updated Theoretical Model of Applicant Reactions to Selection - Hausknecht et al., 2004_

### 2.3 Cost Considerations

After considering theoretical foundations it also becomes necessary to understand the cost involvement in recruiting activity. Literature mainly
depicts two types of costs i.e. Cost of Turnover and Cost of Recruitment. Literature on both can be explained as follows:

2.3.1 Cost of Turnover

Measuring the cost of employee turnover can be a real challenge. It is not only a significant tangible dollar cost but also an intangible or “hidden” cost associated with loss of skills, inefficiency and replacement costs (Lashley and Chaplain, 1999). Unnecessary employee turnover costs organizations needless expenses (Soloman, as cited in Rust, Stewart, Miller, & Pielack, 1996). Soloman found that “separation, replacement, and training costs are estimated 1.5 to 2.5 times of annual salary for each person who quits”.

Voluntary and involuntary turnover of employees involve costs of separation, recruitment and training and job search for both the firm and the employee (Cascio, 1991). Hinkin and Tracey (2000) designed a computer program to assess the cost of employee turnover. This program includes of a variables that calculate the total direct cost viz. advertising, signing bonuses, and formal training and indirect costs viz. lowered productivity of newly joined employees and interruption to the working of existing employees of turnover. The direct costs of employee turnover are normally categorised into three main sections: cost of separation (exit interviews, administration, functions related to terminations, separation pay, and unemployment tax), cost of replacement (communicating job vacancies, pre-employment administrative functions, interviews, and exams), and costs of training (formal classroom training and on-the-job instruction) (Slaughter and Ang, 1996). The component of indirect costs included in employee turnover are more difficult to study and include the loss of efficiency of employees before actual turnover takes place, the effect on their co-workers’ productivity, and the loss of productivity before a new employee gets excellence in the job undertaken (Blankertz and Robinson, 1997).
In addition to actual loss of rupee, replacement and training expenses have a staggering impact on organizational costs, productivity, and performance. An increasing number of organizations are now realizing that the employee retention is an important strategic issue (Glen, 2006).

Many other researchers have contended that the costs of turnover includes the expenses like recruitment and training of employees (Alexander, Bloom, & Nichols, 1994), loss of social capital at firm-level (Dess & Shaw, 2001), reduction in transitory productivity (Osterman, 1987), and loss of important tacit knowledge (Droege & Hoobler, 2003).

2.3.2 Cost of Recruitment

Involvement in recruiting (including advertising), training, induction, growth and skill development, and quality represent a direct cost of recruiting to the organisation (Hinkin and Tracey, 2006). Actually hiring employees is very expensive as it involves interviews, drug tests, background checks, training, overtime for current employees, lost productivity, temporary workers, etc.

To assess return on the investment of recruitment processes and services, employer should take into consideration various ‘hidden costs’ that an ideal recruitment device can avoid. Employee effectiveness must be assessed as per true cost-per-hire analysis. Punia and Sharma (2008) suggest that further concentration must be given to both the residual effects of recruitment campaigns and the cost of marketing for building company branding. Reduction in cost of the composite recruitment process must be viewed as worthwhile by management and this objective may be attained by precise targeting of candidates, rather than the adoption of a blanket approach towards securing the employee (Sommerville, 1996).

With these theoretical perspectives in mind, let us now turn attention to variables of study.
2.4 Recruitment Strategy Variables

Number of researchers have studied variety of recruitment variables and their effectiveness in different research contexts. Recruitment strategy involves variety of decisions taken by the organization in order to attain their strategic objectives. The strategic decisions taken by organization are implemented in the form of operational processes. Those processes that are experienced by the applicants during recruitment activities are considered for study in this research.

2.4.1 Information Shared

One of the strategic decisions organization can take during recruitment process is what and how much information to be given out to attract potential applicants. A recruitment message that describes the similarities between likely applicants and the organization’s current workforce is based on a person–group fit perspective. It recommends that ideal applicants will be more attracted to organizations with employees similar to themselves (Kristof-Brown et al., 2005). The focal point of realistic recruitment theory is retention of employee rather than attracting applicants (Rynes, 1989). Realistic recruitment theory hypothesizes that traditional strategy for applicant attraction may have damaging effects on succeeding efforts of employee retention. Literature on information shared is termed differently by different authors. Few call it as recruitment message, few as recruitment communication, and few as information shared during recruitment.

The purpose of the recruitment message is to provide the potential applicant with specific job attributes to encourage them to apply for the position. Recruitment message is the recruitment activity that attempts to encourage the applicant to take the first step to learn more about the employment opportunity. Once applicant is into the recruitment process he seeks more information about the job and organization. The recruitment message
generally contains such information as job description, required experience, salary, benefits, job specifications, and the work schedule. More detailed recruitment message may contain information about the company, work environment, local community, and possibilities for advancement. Such recruitment information is made available through variety of media like newspapers, trade magazines, on the Internet and communicated by recruiters, interviewers and/or current employees.

It is not just important to understand what and how much information is shared by the organization to applicants but it is also essential to understand various other attributes of information shared. Important attributes studied by various researchers are: realistic (e.g. Realistic Job Preview - RJP), specificity, trustworthiness, accuracy of information, breadth and timeliness of information shared. Out of these attributes researchers have given greater attention to RJP or sharing realistic information during recruitment process. Meyer et al., (2003) have emphasised that ‘realistic job previews’ provide potential new hires with more than just cursory glance at company’s operations, providing the candidate with enough information to make a decision about whether it is the right workplace for him/her. Such information shared at the time of recruitment is believed to function as a realistic job preview and to reduce turnover.

The literature on recruitment message covers basically two types of recruitment messages: realistic messages and inflated, ‘sales-oriented,’ or ‘flypaper’-type messages. Employers frequently take advantage of job seekers’ uncertainty by overselling vacancies (Schneider, 1976), perhaps at the expense of subsequent employee satisfaction and turnover. Wanous (1973) concludes that those applicants who received realistic job preview had higher survival rates and better job performance. He further contends (1980) that RJP is an approach which assumes that giving candidates / newcomers accurate and complete information will results in better matching, increased satisfaction and
commitment, and lower turnover. He also suggests that such realistic information can be conveyed through booklets, films, video-tapes, realistic work-samples, interviewers, supervisors, other recent hires, and a combination of these approaches. Reilly et al. (1981) contend that on average, the turnover rate for realistically recruited employees was 5.7 percentage points lower than that for employees recruited through more conventional messages. Malatesta (1981) summarized results of eleven studies and brought into focus a significant negative relationship between realistic job information and turnover. As per Taylor & Schmidt (1983) RJP helps reduce turnover (1) by permitting applicants to "self select" themselves out of consideration for a position they feel would not satisfy their needs; (2) by lowering their expectations about job conditions, thus increasing satisfaction once on the job; (3) by increasing their levels of organizational commitment because the job offer was accepted voluntarily without strong inducements; and (4) by increasing their ability to cope with unpleasant job demands. Reilly et al. (1985) reviewed fifteen realistic preview studies designed to evaluate effects on turnover. The study showed an average correlation between realism and retention. On average, those candidates who received realistic previews had turnover rates of 30%, as compared with 40% for control groups. Job characteristics described in the recruitment message have a significant impact on the reaction of job applicants to recruitment stimuli on two ways: 1) failing to provide job-related information resulted in less favourable applicant perception of the recruitment message, and b) the nature of job attributes influenced applicant reaction to the recruitment message (Rynes, 1991). RJPs are relatively inexpensive to develop and implement, and the payoff of even small effects can be great in terms of lower selection and turnover costs (Breaugh, 1992; Dean & Wanous, 1984). The study by Saks (1994) suggested that realistic job previews and job expectations were important for understanding the relationship between job survival and recruitment sources.
Similarly, the results of study by Phillips (1998) suggest that RJPAs are related to lower levels of voluntary turnover.

Apart from being realistic it is important to provide sufficient and truthful depiction of the company’s culture so that it helps candidates to decide if their values match those of the organization (Cameron and Quinn, 1999; Trice and Beyer, 1993; Schein, 1977). Recruitment messages that provide unambiguous or detailed information turn out to be more favourable than do non-specific or general messages. E.g., Rynes and Miller (1983) showed that greater than before amounts of information regarding specific job characteristics (e.g., salary, career paths and benefits) positively influenced perceptions of applicants' about organizational attractiveness. Breaugh and Billings (1988) contended that, many times when an employer tried to give realistic job information, frequently the information presented was so general ("salaries are competitive") that it did not help candidates for informed recruitment decision-making. Similarly, it was hypothesized and confirmed by Barber and Roehling (1993) that candidates give more attention to specific than to general information.

Communication during recruitment is expected to be understandable and viewed as trustworthy by the candidates whom the organization is interested in recruiting (Breaugh & Billings, 1988). In case of credibility of information shared, previous research has revealed that receiving information that is different than that expected from the message source results in credibility (Stiff, 1994). Stiff (1994) has constantly shown that proficiency of communicator and his trustworthiness direct a message's being believed. The accuracy of information obtained through the recruitment source significantly impacted job survival. Therefore, the authors argued that importance is placed on the organization to present information that is accurate with the hopes of decreasing employee turnover. The message being sent out by the organization
needs to be appealing, but also accurate (Dale, 1999). Thus, the provision of reliable information reduces turnover and increases the value of the match.

Rynes et al. (1991) further focused upon the timing of recruitment communications in terms of signaling. These authors hypothesized that delays in responding to application inquiries or in making job offers may be viewed as a signal that the organization does not have a strong interest in the candidate. The study by Phillips (1998) also revealed moderating effects of the timing of an RJP, the medium used for the RJP, and whether the research in which a given RJP was assessed was conducted in the laboratory or the field was found for the relationships between RJP's and attrition from recruitment, job satisfaction, organizational commitment, and voluntary turnover. Thus, by avoiding delays between recruitment stages, employers can minimize the chances of discouraging applicants, and have long term effect on the applicants like increased loyalty. Chapman et al.’s (2005) meta-analysis has found that timely response by the organization was included as subcategory of justice perceptions, and longer delays in communication during recruitment were found to have a negative effect on organizational attraction. Rynes, Bretz, & Gerhart (1991) and Chapman & Webster (2006) found that post interview delays in communicating with candidates led to negative perceptions of the organization.

Fisher et al. (1979) found that employees and friends as sources of employment information had comparable effects: both were more credible and influential than recruiters. People who are unhappy in their jobs may blame that unhappiness on having had inadequate information before they accepted rather than on poor personal decision making. Organizations may for many reasons put pressures on hiring or particular reward systems, for instance-present unrealistically positive pictures of jobs, individuals may need to draw on information from many sources both inside and outside organizations to develop accurate pictures of jobs and their settings (Louis, 1980). The
commitment hypothesis suggests that people develop stronger commitment to organizations that give them the information they need to make fully informed job choices (Rynes, 1989). Rynes with other colleagues found that prior knowledge of a company moderated the effectiveness of recruitment practices (Rynes, Bretz, and Gerhart, 1991). According to Phillips, job previewing is a cost saving activity as well. Bamberger & Meshoulam (2000) contend that a realistic recruitment philosophy is likely to yield positive strategic effects on to the extent that it increases the rate of applicant retention without reducing the quality of those candidates available for hire.

Even though researchers have given more attention to whether a recruitment message includes realistic as opposed to only positive information (Phillips, 1998), three other important attributes of message (i.e., the breadth of topics addressed, the specificity of the information provided, the timing of communications) worth attention by researchers (Breaugh and Starke, 2000).

2.4.2 Recruitment Process Experience

Herriot (1988) contends that during recruitment both parties i.e. recruiter and candidate make the false assumption of "low distinctiveness", i.e., they both consider that behavior of people in work life is similar to the way they present during the interview. Attribution theory can be applied to recruiter behaviour during such recruitment process. In such a context, the applicant may generalize the recruiter's behaviour to the whole organization and, hence, the recruiter plays very important role in signifying what other members of the organization are like, as well as, what the organization is like (Rynes, 1989). Breaugh (1992) believe that recruitment research would benefit from studies that collect more process-rich information about the dynamics of recruitment decision making. According to Applicant Attribution – Reaction Theory (AART) (Polyhart & Harold, 2004), candidates who apply to the organization generally form false and automatic perceptions during various stages of
selection process. AART put forwards that negative attributions gives rise to prejudice in perceptions and also behavioural outcomes, such as withdrawal from the recruitment and selection process and denial of job proposal.

A majority of the research related to recruiters has attempted to find out what are various recruiter characteristics that give an explanation for applicants overall impressions of recruiter. Various researchers have given different clarifications on why applicants get affected by recruiters’ behavior. They have contended that candidates are highly influenced by recruiters in the organization (Rynes, Heneman, & Schwab, 1980; Schmitt & Coyle, 1976). Rynes (1991) also contended that recruiters may influence candidates because applicants view them as indicator of unknown organizational characteristics. In addition to that, it has been seen that such impressions many times influence applicants approach towards successive stages of the recruitment process, and also their decision of job choices (Harris & Fink, 1987; Rynes, Bretz, & Gerhart, 1991). Sometimes no direct consequence of recruiter attributes are seen on perceived employment opportunities but the same may have an indirect influence through their impact on job attributes (Harris & Fink, 1987). Therefore, it is required to entirely scrutinize the consequence of recruiters’ behaviour on candidates. Considering past studies Harris & Fink (1987) tested four categories of recruiter characteristics. They are personableness, competence, informativeness, and aggressiveness. Personableness and informativeness came out as the most significant characteristics of recruiters. Their study showed that recruiter characteristics were considerably linked to the regard for the organization.

The first of these characteristics has to do with recruiter informativeness. How informed and informative the recruiter is influences applicant reactions (Harris & Fink, 1987; Turban & Dougherty, 1992). Powell (1991) has hypothesized that a few recruiters in the organization present more information and more specific information to candidates than the other recruiters. Knowing that the
kind of information shared is of personal significance to the job applicant and is assumed, conversing with more informative recruiters should have several positive outcomes e.g., improved ability of candidates to withdraw from the job assignment that eventually would not be rewarding. Considering recruiter informativeness, it has been recommended (Breaugh, 1992) that an candidate’s forthcoming superior or co-workers should be particularly informative compared to the other recruiters (e.g. anyone from the HR department) who may not hold as much information expected by the candidates. With regard to recruiter informativeness, it is the extent to which the information communicated by an organizational recruiter contains allocation of realistic as against to the only affirmative information (Connerley & Rynes, 1997).

Connerley & Rynes (1997) have recommended that personableness of recruiter may be significant because it is an indicator of how the candidate may be treated if selected by the organization or how likely the candidate is to get an offer of job.

A study by Harris & Fink (1987) revealed that recruiter competence was significantly related to regard for company by employees. Chapman et al. (2005) found that recruiter competence was related to applicant’s attraction towards organization. Fisher et al. (1979) theorized that, organizational recruiters would be short of reliability in comparison to the other employees of the organization. The base of their (Fisher et al., 1979) their contention is based on the assumption that organizational recruiters would be seen by candidates as deficient in proficiency relating to what a job entails and would be perceived as having a vested interested in filling vacancies. Researchers (e.g., Maurer, Howe, & Lee, 1992) also have theorized that credibility of recruiter is helpful in explaining the differential impact of recruiters on candidates.
Work experience of the applicants' has been projected as a negative moderator of the effectiveness of the recruitment-reactions relationship. Those applicants who have greater work experience are expected to be aware of the fact that while working job attributes are more important in influencing satisfaction than other recruitment elements experienced at the time of searching a job (Rynes et al., 1980). Liden & Parsons (1986) and Harris & Fink (1987) examined recruiter gender and suggested that the recruiter’s personableness, as well as how informative he or she was, influenced the applicants affect toward the job, not the gender of the recruiter. During an interaction with female or minority recruiters, it may indicate to the candidate that an employer values diversity in organization. This kind of value system may make a job more interesting to certain job applicants (Highhouse, Stierwalt, Bachiochi, Elder, & Fisher, 1999).

Though, researchers have hypothesized about the positive impressions of recruiters who are well informed, trustworthy, amiable, and demographically diverse, researchers have not paid much attention on the fundamental reasons as to why different recruiters may influence the attention prospective applicants give to a job opening or the interest they show in a position. Schmitt and Coyle (1976) contend that not only does the applicant draw conclusions about the job and organization from the recruiter, but that the recruiter’s characteristics and presentation are related to the likelihood of the applicant accepting employment. After considering the importance of attracting attention of the applicants and creating their interest, undoubtedly these two issues worth future attention.

To sum up, it can be strongly said that the choice of a recruiter make a difference (Rynes et al., 1991).
2.4.3 Interview Structure

The interview is considered as a recruitment tool that can provide job information to the candidate and helps interviewer present her/his organization with an intention to attract the "right" candidates and convince candidates to accept a job offer (Alderfer and McCord, 1970; Schmitt, 1976; Schmitt and Coyle, 1976). Employment interviews are considered as both recruitment and selection tools. Rynes (1988) takes into consideration the repercussions of viewing the interview from recruitment point of view rather than a selection perspective. Arvey and Champion (1982) speculated that employers may rely on interview to sell applicants on the job, to respond to applicant questions, and to serve as a public relations tool. Jablin and McComb (1984) and Herriot (1988, 1989) proposed that the interview should be considered as an information, expectation and perception exchange event.

Webster defines interview as a “meeting of people face to face to confer about something.” Within the human resource context Meyers (1992) describes the interview as an activity that involves asking a set of questions to help the interviewer make a sound hiring decision. Similarly Connerley and Rynes (1997) view that in most of the screening focused interviews; there is likelihood of recruiters to ask more difficult questions than in attraction based interviews. In attraction based interviews the recruiter give more attention to ‘selling’ the organization and vacancy to the candidates.

Schmitt and Coyle (1976) contend that a the interviewer's empathetic behaviour, preparation, and ability to supply information together predict applicant’s perception of his/her performance and the extent of favourability towards an organization. They have further suggested that the interviewer's personality, delivery style (Schmitt and Coyle, 1976) and the sufficiency of the job information (Barber et al., 1994) forecast candidates’ decisions. When interviewers show importance in interviewees, it has been found to be more
satisfied; it gives interviewees the chance to show their technical knowledge, talk about the job profile and organization, and analyse the career development of employees similar to the candidates (Alderfer and McCord, 1970; Keenan and Wedderburn, 1980).

Those interviewers who confer more importance to the recruitment give the candidate more precise knowledge about the organization's post-interview decision processes, and commence earlier contacts followed by the interview (Hanigan, 1987). Alternatively Harn and Thornton (1985), Harris & Fink (1985), and Powell (1991) did not come across the issue that the interviewer's informativeness has any considerable main effect on interviewees' judgments. A study by Liden & Parsons (1986) contended that females viewed interviewers as more competent and personable to them. According to Rynes (1988) with increasing importance of the recruitment function, employment interviewers are assumed to: (1) show more affirmative verbal and nonverbal behaviours, (2) give more importance to vacancy rather than applicant characteristics; (3) illustrate vacancies in more favourable terms, (4) ask questions that are less prone to result in candidate disqualification, and (5) follow rigorous post-interview follow up policies.

A model of interviewer effectiveness proposed by Graves (1993) suggests that effective interviewers use more positive nonverbal behaviours. Study by Papadopoulou et al. (1996) depict that the level of empathy shown by the interviewer towards interviewee influenced their perceptions of the interviewer's competence as a provider of important information and his/her readiness to let the applicants to present themselves effectively. It is seen while exploring the applicants' contentment with the interviewer; it came into sight that the interviewees were more pleased with interviewer's capability to control the interview. The candidates perceived that an affectionate, sensitive and helpful interviewer as willing and/or competent to give the applicants information related to the job and the company, than an apathetic and
inconsiderate interviewer. The participants of this study did not show to be influenced by the empathy of the interviewer in their choices. Thus, for effective interviewing Huffcutt and Woehr (1999) suggested that (1) training should be provided to interviewers regardless of whether the interview itself (i.e. the questions and rating scales) is structured (2) the same interviewer should be used across all applicants, especially when the interview itself is not highly structured; and (3) using a panel of interviewers does not contribute to validity.

The structure of the recruiting interview can influence whether and how easily a job seeker can get needed information. Campion et al. (1998) defined interview structure as any enhancement that increases standardization or otherwise assists the interviewer in determining what questions to ask or how to evaluate the responses. Some recruiting interviews are dual-purpose in that they combine recruitment with preliminary employee selection. In the 80 years of published research on employment interviews, one of the most strongly supported conclusions is that structuring the interview enhances its reliability and validity and, hence, its usefulness for prediction and decision making (Campion et al., 1998).

Fifteen components of structure are identified by Campion et al. (1997) that may improve either the components of the interview or the process of evaluation in the interview. Hyde (1997) conducted a study of job applicants’ participation in employment interviews, which suggested that attention to the structure of interviews could enhance their recruitment value. Her results indicated that applicants perceive interview more favourably when the applicant had an opportunity to ask question, when interviewer questions were not situational, and when the interviewer was knowledgeable about the applicant’s resume. Similarly, Rynes and Connerley (1993) found that applicants viewed tough interview questions positively, so as they were job-related.
While explaining structure of interview Campion et al. (1997, 1998) gave various suggestions like the questions during interview should be based on a job analysis, same questions should be asked to all candidates, interviewer should limit probing and follow up questioning and elaboration on questions, questions should be structured and specific, interviewer should spend enough time with candidate and ask sufficient number of questions to them, he should be able to withhold or control ancillary information, and finally he should not allow uncontrolled questions from candidate until after the interview.

Dibble (1999) pointed out that potential employees should be treated as if they are prospective customers during their interviewing phase, as they have the command and knowledge of their abilities and they trust on their worth in the marketplace. The most awful mistake that a company can make is to fake its culture, reward system, advancement/development possibilities and/or business strategy (Kreisman, 2002). Carefully developed structured employment interviews have been found to predict turnover with a corrected correlation of 0.39 (Schmidt & Rader, 1999).

However, all research studies mentioned above did not explain applicants’ reaction to interview process and also its long term relationship with employee behaviour (Taylor & Bergmann, 1987).

2.4.4 Applicant Attractors

Organizations are all the time been worried about attracting and selecting the right types of employees (Schneider, 1976, 1987). The study related to applicant attraction is termed differently by different authors. Various terms used are job inducements, job attractors, applicant attractors, attraction inducements, etc.

Efficiency wage theory (Weiss, 1980; Yellen, 1984) proposes that choice to increase attraction inducements have a positive influence on the quality, as
well as quantity, of the pool of candidates drowned and retained by organizations. The use of benefits as a recruiting device is prevalent in labour and personnel economics. In a similar vein, Rosen’s (1986) work on ‘equalizing differences’ establishes a theory for how non-wage benefits affect the composition of workers attracted to a firm. Attraction related theories and research are scattered across a variety of literatures, and often are identified with other topics like wage, motivation, or discrimination theories (Rynes & Barber, 1990).

Various organizational attributes such as training, compensation and advancement opportunities have been seen to have positive effects on applicant attraction to firms (Powell, 1984; Taylor & Bergmann, 1987). Recruitment researchers have started to understand as to how various organizational factors other than recruitment practices can influence recruitment outcomes. The goal of organizations is not only to attract employees, but to also attract those who would stay as a result of the initial organizational attractiveness. Even though the organisational attraction study has exposed some insights, still there is much to be learned (Barber 1998).

In a term job inducements, word ‘inducements’ express the idea of intentionally modifying attributes for the precise purpose of increasing the attractiveness of a job to potential candidates (Rynes & Barber, 1990). Various studies (Rynes, 1991; Gatewood, Gowan, & Lautenschlager, 1993) advocate that early recruitment practices, corporate advertising, and reputation may all influence recruitment outcomes by affecting candidates’ perceptions and decisions to apply during the early stage of recruitment. The efficiency of different recruitment strategies may limit or enhance due to prior exposure to a company through various organizational factors (Rynes, Bretz, & Gerhart, 1991). Similarly, Gatewood et. al. (1993) found the decision of candidate to pursue employment with the company is perceived by the organisation's image.
A great deal of research suggests that job and organization attributes play an important role in job pursuit and decisions, and that more information about job and organization attributes during recruitment is related to attraction (Rynes, Bretz, & Gerhart, 1991; Barber, 1998; Allen et al., 2004). As mentioned by Marcus Buckingham and Curt Coffman (1999) in their recent book, “First Break All the Rules”, a talented employee “may join a company because of its charismatic leaders, its generous benefits, and its world class training programs, but how long that employee stays and how productive he is while there is determined by his relationship with his immediate supervisor”.

Cable and Turban (2001) saw to theory and research on marketing brand equity to design an extensive model of how firms persuade the decision making of job seekers. Specifically, they pointed that corporate advertising and firm reputation are expected to have an effect on job seekers by affecting their awareness and perceptions of an organization. The most effective strategies for attracting and keeping the best people within organizations are to continue giving individuals reasons to select that organization as the place to work. This includes paying attention to the work environment, the employees’ future within the company, the pay they receive as well as the rewards available for their efforts and contributions made (RCI Resource Centre, 2001).

Collins and Stevens (2002) in their conclusions recommended that companies may follow variety of recruitment strategies in order to attract applicants. A strong employer brand attracts better applicants (Collins & Stevens 2002, Slaughter et al. 2004) and shapes their expectations about their employment (Livens & Highhouse 2003). Adamsky (2005) outlines ways the recruiters can support in building a better organisation branding: they are, employment branding – gaining and marketing a reputation for being a good employer – allows to more easily hiring the candidates; aggressively pursuing top talent and attracting them to your organisation; creating better employee referral
programmes so that employees support the HR; looking at talent as opposed to workforce planning and investing in employees.

A study by Collen Flaherty (2007) shows that benefits like tuition reimbursement programs affect the type of workers attracted to the firm and the retention rates of employees. Amundson (2007) has recognized 10 attractor factors that appear to play important roles with respect to employee attraction. Those factors are job security, location, relationships, recognition, contribution, work fit, flexibility, learning, responsibility, and innovation.

Attention must be paid to both the residual effects of recruitment campaigns and the cost of marketing in building company branding. A few models emphasize that the effects of attraction strategies may spill over beyond the job choice decisions of current applicants (e.g., Rynes et al., 1980). Both theoretical and empirical works have suggested that variations in attraction practices can have important effects on long-term (i.e., post-acceptance) outcomes as well. For example, organization applicant interactions may influence applicants’ subsequent decisions to stay committed or leave the organization. Decisions to enhance attraction inducements (e.g., housing assistance, higher starting salaries) have been shown to lead to reduced turnover (Hamlet, 1989; Lakhani, 1988). Turban and Cable (2003) established positive connections between organization reputation and organization-level recruitment outcomes.

Thus, it becomes essential to understand the role of applicant attractors along with other recruitment strategy variables in gaining post hire outcomes to the organization.

2.4.5 Source of Recruitment

The important question that an organization needs to tackle in trying to fill job openings is how to approach individuals who may be qualified for and
interested in the job openings of organization. There are numerous sources that make up the recruiting process. The right human-capital management system would allow us to measure both internal and external resources. Organizations use variety of methods to recruit job candidates, like advertising through various media, employee referrals, and employment agencies, walk-ins. Kirnan et al. (1989) depicts that previous research has divided recruiting source into two general categories: formal recruiting sources (viz. public and private employment agencies, trade unions, school or college placement bureaus, and advertisements through radio, television, newspapers, or professional journals) and informal recruiting sources (consisting primarily of employee referrals, referrals by friends or relatives, and self-initiated applications such as walk-ins and write-ins).

While Fisher et al. (2005) contend that candidates can be recruited from either internal source or external sources. In internal sources are promotion and transfer of existing employees, and recommendations from the internal employees of the organization. While external sources are mail applicants, application file, employment exchanges, agencies and consultants, professional associations, and educational institutes etc.

Since many years, various researchers have examined the utility of different recruitment sources and whether certain sources are associated to useful outcomes. Evaluating the effectiveness of an organization's recruiting efforts may involve an analysis of the relationship between the sources of recruitment and relevant organizational criteria (Quagliieri, 1982). According to Schwab (1982) some methods are likely to be more effective (in terms of yielding lower post-hire rates of turnover and absenteeism and higher levels of job performance) simply because they provide more information on which to base selection decisions. To add, recruitment sources vary in effectiveness because they reach applicants from different populations.
Many research studies have showed that informal recruiting sources lead to superior new hires compared to candidates recruited through formal sources (Gannon, 1971; Decker & Cornelius, 1979; Breaugh, 1981). Quaglieri (1982) revealed that newly hired candidates consider informal sources as more specific and more accurate in their portrayals of the job than formal sources. Kirnan (1986) contended that informal sources of recruitment (five different types of referrals) had superior survival rates than formal sources of recruitment (employment agencies, newspaper advertisements, and school placement). Aamodt and Carr (1988) studied recruitment source differences for tenure, where the employee referrals have the longest tenure followed by walk-ins, employment agencies, and ads. Kirnan, Farley, and Geisinger (1989) contended that employees recruited via informal sources (e.g., employee referrals) were of higher quality and there were more chances of job offers to them. Williams, Labig, and Stone (1993) also concluded that informal sources of recruitment get in touch with differently qualified applicants which, in turn, were strong predictors of successive employee performance. Almost half of employees view referring people to the company a good thing, as it both gives them a chance to help a friend and gives them the opportunity to work with people they know, trust, and respect. The employee referral mechanism also encourages employees to contribute to the shape of the company and leads to employees who are prone to stay.

Newly employed candidates recruited via internal recruitment sources are assumed to have more information about the organization than employees recruited via external recruitment sources before joining the organization. The employees who are recruited through walk-ins come under third remaining group, and it does not present clear proof on the type of information these candidates have before joining the organization. Wanous (1992) contended that recruitment of employees through internal recruitment sources leads to
slightly higher job survival rate than recruiting through external sources of recruitment.

Various studies are conducted to find source effectiveness. Most of them have measured effectiveness in terms of survival rate, rate of turnover, performance, and commitment to the organization. A study by Ullman (1966) was one of the initial studies which examined recruitment sources. His results showed that newly employed candidates who were recruited via informal sources (i.e., employee referrals, direct applications) had a lower rate of turnover than employees recruited via formal sources (i.e., newspaper advertisements, employment agencies). Gannon (1971) examined the relationship of the sources of employee referral in the recruitment effort and the amount of turnover in the organization. Results suggest that referrals such as rehiring of a former employee, the hiring of an individual with a reference from his or her high school or by a present employee, are successful predictors of stable employees. In addition, results suggest that despite the limitations of the research (e.g., demographics, attitude of employees), employee turnover could be reduced through an examination of the procedures that are successful in attracting and maintaining applicants. Decker and Cornelius (1979), Taylor and Schmidt (1983), and Saks (1994) got similar to the results of Gannon. Results by Taylor (1983) further showed that the rehire source was found to yield employees having significantly longer tenure than those recruited from television, newspaper, and the public employment service. Latham and Leddy (1987) reported that employees recruited through employee referral are more satisfied with their job and show higher organizational commitment as compared to the candidates recruited through newspaper advertisements. Few more studies have found employee referrals and other informal recruitment sources generate positive outcomes (Breaugh, 1981; Kirman, Farley, & Geisinger, 1989). Employee referrals had higher retention rate than those recruited from newspaper ads (Breaugh & Mann, 1984). Conard and
Ashworth (1986) evaluated employee referrals and newspaper advertisements, and came to the conclusion that employee referrals had higher job survival rates. An Ohio State University study, for instance, shows that employees hired through referrals are 25 percent more likely to stay with the company than employees hired through other methods. Williams, Labig and Stone (1993) contend that source of recruitment was inversely related to voluntary turnover after one year.

Some literature on effective recruitment method shows that newspaper ads tend to be associated with higher rates of turnover and poorer employee performance (Schwab, 1982). Individuals recruited via certain sources (e.g. newspapers, employment agencies) may have unrealistically high expectations of what the job entails. Decker and Cornelius (1979) contemplated that employees recruited via newspaper advertisements or employment agencies might be more inclined to leave the organization because they possess more knowledge of job possibilities. Newspaper is the source that helps in appealing those who are looking for a job - active job seekers. Newspaper ads need to be assisted with other sources to attract other passive job seekers. Breaugh (1981) found little evidence for the case that those recruited through newspaper advertisements lost almost twice as many work days as those recruited via other sources.

In contrast to above studies there are few studies showing no significant association or correlation of source and organizational outcome. A study by Swaroff, Barclay, and Bass (1985) failed to find recruitment source as having a significant effect on turnover. Williams, Labig, and Stone (1993) were unable to find any recruitment source effects on employee turnover or job performance. Saks (1994) established that in case of seasonal employees, those recruited through informal recruitment sources (rehires, employee referral, self-initiated walk-ins) when compared with those recruited through formal recruitment sources (newspaper advertisement, radio advertisement,
poster) showed no difference in commitment level towards organization. Barber (1998) after reviewing the research on recruitment sources concluded that past research does not make any strong case for the importance of recruitment source differences.

Breaugh (1981) found no considerable differentiations between employees recruited via four recruitment sources on several demographic variables viz. age, education, sex, and tenure with the organization, years in current position, and tenure with current supervisor. On the contrary, Taylor & Schmidt (1983) came across source differences for age, sex, shift preference, and previous pay. Nevertheless, it is pointed that there were no significant distinction on these variables for the employees recruited via: television, radio, newspaper, employee referral, direct applications and public employment agency (Breaugh & Mann, 1984). They further found that employees recruited via newspaper advertisements were more likely to be male and older. Swaroff et al. (1985) contended that employees recruited via newspaper advertisements are be likely to be older than those recruited via employee referrals, employment agencies, or college recruiting. Werbel and Landau (1996) further depicted that employees recruited via employer contact were older than employees recruited via college placement programs, and that employee referrals were less educated than college placement recruits. Griffeth et al. (1997) investigated a array of demographic differences across sources; these differences are not related to the differences in outcomes, thus showing only little support for the explanation related to individual differences.

In a nutshell, in order to improve knowledge on recruitment source effectiveness further study needs to be conducted. Ideally, each firm should conduct its own analysis of source quality for each type of job. Recruiting sources that are of low quality can be used less intensively or eliminated altogether in future recruiting (Fisher et al., 2005). Although previous research has documented important recruitment source differences (e.g., performance,
turnover), the reason for these differences is not entirely clear. Research more theoretical in nature is required to understand the cause of source differences.

The important concept emerging from all the above recruitment strategy variables related studies is that recruitment strategy exhibit differential effectiveness and therefore it may be utilized as indicators in order to establish the most effective strategy, relevant to the organization. As per literature all these variables individually lead to certain post hire outcomes like commitment, burnout, or turnover. It will be interesting to understand if these variables show same results in different occupational and cultural context? And also if these variables together have same effect on the outcome variables?

2.5 Employee Retention Variables

Retention is nothing but stopping people from leaving organization or keeping good people. The retention of quality employees is important for three important and basic reasons: 1) the increasing importance of intellectual capital; 2) a causal link between employee tenure and customer satisfaction; and 3) the high cost of employee turnover (Harvard Business Essentials, 2002).

Retention can be categorized as functional or dysfunctional and avoidable or unavoidable. (Dalton et al., 1982; Woods and Macauly, 1989; Johnson, Griffeth, and Griffin, 2000). Retention is recognized as functional when non-performers leave and performers stay and can in fact assist organizations to improve its performance (Johnson et al., 2000). As oppose to this, when performers leave and non-performers stay, retention is highly dysfunctional, and it hampers organizational innovation and performance (Abbasi & Hollman, 2000). While unavoidable turnover occurs when an organization has no control over the reasons for an employee's exit (e.g. spouse's relocation) and avoidable turnover takes place when employees leave a company for
better pay, better working conditions, etc. (Dalton et al., 1982; Woods and Macauly, 1989).

When individual components of commitment, job satisfaction, satisfaction with pay, promotion, supervision, co-workers, and the work itself have been studied, fairly consistent relationships have been found with the propensity to remain (Friedlander & Walton, 1964; Knowles, 1964; Ley, 1966; Hulin, 1968; Farris, 1971; Susskind et al. 2000). There are few studies that recommend retention programs which help reduce turnover and its effects. Boles et al. (1995) recommended that if the intention is to reduce employee turnover, the organization should use of pre-employment applicant demographics. Other factors like realistic job previews, job enrichment, workspace characteristics or socialization practices are part of retention activities (Pizam and Ellis, 1999). As an attempt to search and retain employees, many organizations make use of incentives such as pay, benefits, promotions, and training. Still, such attempts often tend to ignore their goal, as a few research studies pointed that the front line manger is the key to attracting and retaining employees (Buckingham and Coffman, 1999). A Ph.D. study by Jernigan (2008) showed that retention decisions of nurses are related to factors external to the leader/superior subordinate relationship. Different aspect of retention is focused by Muhammad (1990) who found that stressors, such as work overload and role ambiguity, might cause the employee to have low job satisfaction and motivation, subsequently resulting in low organizational commitment, burnout and high turnover.

Many other studies show that variety of factors affect retention in the organizations. Like, companies with better organization culture show better retention rates (Sheridan, 1992; Deery and Shaw, 1999). Kaak et al. (1997) explored the concept of turnover culture among non-supervisory hotel employees. You (1998) explored the role of candidate’s nationality in forecasting their turnover behaviour in the US and South Korea. IDS
Management Review (2000) as mentioned in Newman et. al. (2002) contends that the foundation of an effective retention strategy is reliable information on the level of turnover and an understanding of its causes. Few studies attempted to find such relationships between other variables and retention. Like, Susskind et al. (2000) proposed that perceived organizational support influence organizational commitment to the greater extent. Lee and Chon (2000) investigated the influence of employee diversity on turnover in the restaurant industry. Mak and Sokel, (2001) suggested to improve retention, the company should adopt career development policies in alignment with the needs of the employees. Newman, Maylor & Chansarkar (2002) found out five main perceptions of retention strategies. They are (as per rank) better working conditions (more staffing and resources), more pay, better management, improved opportunities for training and better career prospects. While the results of study by Mattox and Jinkerson (2005) indicated that training had a positive impact on retention rates and thus the length of time employees stay.

Thus, retention is nothing but people staying with an organization. And there are three types of people staying in the organization. They are; employees committed to the organization, people with turnover intent who are ready to leave the organization as soon as possible, and burnouts, who experience a type of prolonged occupational stress. It is seen in the literature that lack of commitment leads to higher level of burnout and turnover intentions, and burnout also leads to turnover intent among employees. The same relationship can be explained considering studies by various researchers.

When employees feel committed to the organization they are likely to stay in the organization. Consequences of burnout (work exhaustion) include reduced organizational commitment (Jackson, Turner, and Brief, 1987; Leiter, and Maslach, 1988; Leiter, 1991; Leiter, Clark, and Durup, 1994; Thomas, and Williams, 1995). Burnout has been constantly studies in relation to the withdrawal intentions, leading to withdrawal behaviours, or coping
mechanisms, such as diminished commitment, depersonalization, and ultimately voluntary turnover. Using human resources service professionals as the research participants Kahill (1988), in a longitudinal study, found that burnout negatively affected job involvement and organizational commitment.

Burnout, or work exhaustion has come out to be a strong aspect that existing research has continually revealed to be correlated to work attitudes e.g. job satisfaction, organizational commitment, and turnover intention. Consequences of burnout include higher turnover intention (Jackson, Turner, and Brief, 1987; Thomas, and Williams, 1995; Firth, and Britton, 1989; Jackson, Schwab, and Schuler, 1986; Lee, and Ashforth, 1993; Maslach, and Jackson, 1984a; Maslach, and Jackson, 1984b). Ellen Moore (2000) investigated work exhaustion as a possible mediating factor of turnover intention. Dan Ray has found that there is positive relationship between burnout and turnover intent (Dany Ray, 2003). Larson too contends that burnout is positively related to turnover intention.

Jaros (1997) showed concern to the fact that, the relationship between organizational commitment and turnover intention may not be as simple as is projected in several turnover models. Numerous studies involving voluntary turnover in organizations has considered organizational commitment as an important construct. Overall, empirical tests over and over again support the significant negative relationships between organizational commitment and turnover intention (Steers, 1977; Angle and Perry, 1981; Mathieu & Zajac, 1990; Irving, Coleman, & Cooper, 1997; Susskind et al., 2000; Griffeth et al., 2000; Labatmediene et al., 2007). Thus, it can be said that commitment is negatively related to turnover intention. Study that looked at both satisfaction and commitment found them to have a similar strength of association with turnover intentions (Parasuraman 1989). In contrast to that Tett & Meyer (1993) contend that intention/ cognitions are predicted more strongly by satisfaction than by commitment. Similarly, results by Ahuja et. al. (2002)
shows that low levels of job satisfaction and organizational commitment affect turnover intention for virtual workers. Study by Shahnawaz and Jafri in the Indian context showed similar results that there is significant correlation between organizational commitment and turnover intent. Elangovan (2001) has contended that there is a reciprocal link between organizational commitment and turnover intention, i.e. low level of commitment leads to increase in turnover intention, which in turn lowers commitment. Study by Karsh, Booske and Sainfort (2005) concluded that organizational identification (i.e. commitment) and both intrinsic and extrinsic satisfaction were significant predictors of intentions to stay.

It further becomes essential to understand these categories (Loyals, Burnout, Turnover Intent) of people so that their relationship with recruitment strategy variable can be studied effectively.

2.5.1 Commitment

The decision to remain with an organization is largely determined by an employee’s level of commitment to the organization (Miller, 1996). Organisational commitment is described as an employees’ identification and involvement with the organization, which includes agreeing to the organisational goals and values, keenness to work hard, and intention to remain with the organization (Crewson 1997). Wiener (1982) defined commitment as the 'totality of internalized normative pressures to act in a way which meets organizational goals and interests', and suggests that individuals exhibit behaviours solely because 'they believe it is the "right" and moral thing to do' (p. 421). Loyal, engaged employees are inclined to produce high performance business outcomes that can be measured by increase in the sales, improvement in the productivity, profitability and superior employee retention (Tsui et. al. 1995; Rogers 2001).
Age, sex, race, personality, attitudes, climate, and culture are few factors that can influence organizational commitment (Steers, 1977); and values, fairness of policies, decentralization, competence, job challenges, degree of autonomy, and variety of skills used (Meyer & Allen, 1997). It is also found that in case of dearth of quality job alternatives, strong commitment towards job is seen (Rusbult & Farrell, 1983). There is some evidence seen by Cohen & Gattiker (1994) that even pay attitudes are related to commitment and quit intentions. Non-work variables that are considered for the study involves family, hobbies, religion, political influences that can influence job attitudes (Cohen, 1995; Mitchell et al., 2001; Rouse, 2001). As stated by Sayeed (2001) in his book, that a positive, yet less desirable, outcome arising from non-commitment (positive in terms of the individual’s continued growth and development but less desirable from the organization’s point of view) is that employees seek better employment opportunities elsewhere which leads to turnover. A study by Priyadarshi (2011) found compensation and career facet of the employer brand attributes to be negatively related to organizational commitment.

Extensive literature on commitment has happened. In most of the studies attention has been directed toward organizational commitment as the attitudinal component of organizational relevant behaviour (Hrebiniax and Alutto, 1972; Buchanan, 1974; Porter et al., 1974; Porter, Crampon and Smith, 1976; Steers, 1977a; Stevens, Beyer and Trice, 1978). Few researchers have proposed that the concept of commitment may disclose reliable linkages between attitudes and behaviour, because commitment is presumed to be a relatively stable employee attribute (Porter et al., 1974; Koch and Steers, 1978).

Researchers have explored different types or bases of commitment to an organization. Major studies in the area of organizational commitment leading to development of measurement scale can be explained briefly as follows:
Organizational Commitment Questionnaire (OCQ)

Porter et al. (1974) defined organizational commitment in terms of the strength of an individual's identification with and involvement in a particular organization. Such commitment can normally be characterized by three factors: (a) a strong belief in and acceptance of the organization's goals and values; (b) a willingness to exert considerable effort on behalf of the organization; (c) a definite desire to maintain organizational membership. Porter et al. constructed a 15-item instrument to measure employees’ satisfaction and level of involvement in the organization.

Balaji (1986)

Balaji (1986) attempted to develop an organizational commitment scale suited to Indian organizational environment. However, his effort suffered from a few shortcomings. First, the items were relevant but failed to fully encompass the organizational commitment construct because of brevity of length. Second, some items have apparently been picked up from the organizational commitment scale of Mowdy et al. (1982) instead of building up a scale based on the Indian organizational psyche, in general and a systematic analysis of the organizational behaviour literature, in particular.

Organizational Commitment (OC)

O’Reilly and Chatman (1986) suggested three different types of psychological bonds viz. compliance, identification, and internalization provides the basis for commitment. The OCQ has two versions. O’Reilly and Chatman (1986) and Reichers (1985) criticized the original 15-item version because of the overlap of some items with the concept they are supposed to predict, turnover. This criticism has led some researchers to use a shorter version of the OCQ that omits the problematic items (Aaron Cohen, 1993).
Meyer and Allen (1991)

Meyer and Allen (1991) distinguished between continuance, affective, and normative types of commitment. Employees with strong affective commitment remain because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to do so. This model is the most frequently used organizational commitment scale as can be seen its prevalence in today's literature. According to Meyer and Allen (1991) scale of organizational commitment, employees would remain with their organization on the basis of their positive feelings, emotion and attachment to the organization, which is quite like to the element of organizational fit.

Attitudinal or affective commitment is in general well-suited with the vital orientation in the organizational behaviour literature that studies commitment as reflection of an individual’s psychological attachment to an organization (Porter, Steers, Mowday, & Boulian, 1974; Meyer & Allen, 1991). That attachment may be to other individuals in the organization (affiliation), to the organization as an entity (identification), or to its mission and/or values (internalization). Continuance commitment involves the recognition of costs associated with leaving the organization. Two sub-dimensions of continuance commitment; personal sacrifice and lack of alternatives have been identified in an analysis of the construct definition of commitment (Dunham et al. 1994). It reflects a “side bets theory” (Becker, 1960) in which employees will maintain their membership in an organization if their personal investment in that organization is greater than the advantages of leaving. The normative component is commitment based on feelings of obligation. It is similar to the peer pressure in which there is a feeling of obligation of the employee to stay with the organization.
Balfour and Wechsler (1994) identified the three dimensions of exchange, affiliation, and identification commitment. Wilson and Laschinger (1994) found that access to information, support, resources, and opportunities were all significantly correlated with organizational commitment, as were age and tenure.

Individual factors influencing employee commitment are age, gender, tenure and education. The same can be explained in detail as follows:

Literature (Cohen & Lowenberg, 1990; Matthieu & Zajac, 1990), argues that, in general, the relations of organizational commitment with age and with tenure have produced few large correlations. Age was suggested as the best indicators of organizational commitment (Becker, 1960; Meyer & Allen, 1984; Sheldon, 1971; Labatmediene et al. (2007)). Angel & Perry (1981) also contend that age was one of the positive correlates of commitment. As per the finding by Cohen (1993) the relation between organizational commitment and age was strongest for the youngest subgroup. While Cohen (1993) contends that the relation between organizational commitment and tenure was strongest for the oldest tenure subgroup.

Gender is one of the most popular demographic variables in commitment studies. Some researchers (Singh et al., 2004; Savery and Syme, 1996) contend that men are more committed to the organization than women; while others (Powell, in Singh et al., 2004) do not find gender differences. Contrary to these results, Angel & Perry (1981), Singh et al. (2004), Marchiori and Henkin (2004) and Dixon et al. (2005) have found that women have higher levels of organizational commitment. The rationale usually presented for such findings is that females enjoy less interorganizational mobility than males and, therefore, tend to become restricted to their present organizations.

Becker (1960) argues that an employee's investment of time and effort makes it more difficult to leave the organization; the more time with the organization,
the more investments. Meyer and Allen (1984) argued that younger employees show more commitment because of their awareness that they will have less job opportunities if they leave current organization with less work experience. As they gain experience more job opportunities will be available. Metcalfe and Dick (2000) found support for the proposition that organisational commitment increases with length of tenure. Similar results are found by Lok and Crawford (2001) in a multiple regression that tenure, was statistically (negatively) significant in explaining organizational commitment variance.

Findings by various researchers (Angel & Perry 1981; Sheldon, 1971; Hrebinia and Alutto, 1972; Steers, 1977a; Stevens, Beyer, and Trice, 1978) show that commitment was negatively related to educational level. The argument often used to explain these relationships is that decreasing levels of education tend to reduce the feasibility of obtaining desirable alternative job and therefore tend to restrict the individual to the present organization.

The reason that commitment has received so much attention is that it has been found to predict turnover intentions (e.g. Martin 1982, Francis-Felsen et al. 1996).

2.5.2 Burnout

Burnout can straightforwardly hamper company’s retention activities and if the organization develops a status as a burnout chamber, it will have trouble hiring good people (Harvard business essentials, 2002). Maslach (1976) defined burnout as "a syndrome of emotional exhaustion and cynicism that frequently occurs among people who do 'people work'...who spend considerable time in close encounters”. In the research literature, burnout or also called as work exhaustion was primarily covered by the construct of tedium, which is defined as a situation of physical, emotional, and mental exhaustion, where mental exhaustion is due to by long-term involvement in challenging work set-up (Pines et al.1981). Maslach & Jackson (1981) define
burnout as a psychological syndrome of emotional exhaustion, depersonalization (callous or negative behaviour towards others) and diminished personal accomplishment that occurs among individuals who work in human service. Gillian Walker (1986) argues that "burnout" is no mere concept, a "thing" or syndrome but is a moment in a social relation which provides for and is a social course of action. Cordes and Dougherty (1993) attempted to generalize burnout in the context of corporate and industrial environments. Schaufeli and Enzmann (1998) defined burnout as "a special type of prolonged occupational stress that results particularly from interpersonal demands at work" and Cooper et al. (2001) as "caused by chronic job stress".

Burnout is often studied within the frame of stress research. Pines and Keinan (2005) contend that job importance (assumed to be intervening variable) was more highly correlated with burnout. Similarly, other antecedents to exhaustion receiving consistent empirical support include work overload (e.g., Jackson et al. 1986, 1987; Lieter 1991; Pines et al. 1981); role conflict and role ambiguity (e.g., Burke and Greenglass 1995; Fimian and Blanton 1987; Jackson et al. 1986; Pines et al. 1981; Sethi et al. 1999); lack of autonomy (e.g., Jackson et al. 1986; Landsbergis 1988; Pines et al. 1981); and lack of rewards (e.g., Jackson et al. 1986; Pines et al. 1981).

Researchers contend that the causes of burnout can be unrealistic expectations, perfectionism or over idealism in relation to reality on the part of the individual (Freudenberger, 1975; 1980; Vash, 1980; Giuffra, 1981). In a study of 66 managers, feeling overextended was not correlated with burnout, but it was significantly correlated with having influence (Kafry & Pines, 1980). The prominent burnout researcher Ayala Pines (1993) suggested that burnout can be understood as an instance in which one's important work-related goals are frustrated and blocked by circumstances that cause failure. Tewari and Tiwari (1995) studied the relationship between burnout and total control as one of the
factors in organisational climate in the Indian nationalised and scheduled banks. The study showed that compared to the employees of nationalised banks, the employees of scheduled banks showed significantly higher emotional exhaustion and lower feeling of personal accomplishment.

Pines (2000) revealed that certain work facets that correlate with burnout are likely to be those that offer employees with a sense of importance. Thus, in a study on 100 hospital nurses the burnout was not correlated with the number of hours they worked but it was significantly correlated with their feeling of accomplishment. In contrast, no significant correlation between autonomy given to employee and work exhaustion seen in a study conducted by Moore’s (2000). Study by Sharma (2002) reveals that role overload and self-role distance are critical determinants of burnout among Indian executives. Role overload has emerged as more powerful determinant of burnout as it can predict both depersonalization and emotional exhaustion. Similarly, people, who give higher importance to their sense of existential significance in their work, select their careers with high objectives and expectations, and are optimistic and motivated. The time when they feel that they are unsuccessful, that their work is not worth mentioning, that they make no difference in the world, they start feeling helpless and loose hope and in the end burn out (Malach, Pines, Keinan, 2005). Study by Pines & Keinen (2005) contends that the work importance was more highly correlated with burnout than with strain. Burnout was also more highly correlated with other variables such as lack of job satisfaction, a desire to quit the job, physical and emotional symptoms and perceived performance level.

Various models developed by researchers can be explained briefly as follows:

**Veninga and Spradley's Stage Model**

According to Veninga and Spradley (1981) that burnout developed in the form of five different stages:
**Honeymoon stage:** This stage is portrayed by the feelings of excitement, enthusiasm, pride, and challenge due to the excitement involved in the new job. This leads to certain coping mechanisms and strategies, which show to be dysfunctional afterward. This also has a flip side that it shows the start of the depletion of energy.

**Fuel shortage stage:** In this stage future difficulties like general, undefined feelings of fatigue, sleep disturbance, inefficiency, and job dissatisfaction are indicated. Such interruptions, in turn, can result in concurrent behaviours of increased eating, drinking, and smoking.

**Chronic symptom stage:** At this stage the physiological symptoms from previous stage becomes more prominent and gets heightened and might even lead to the incidents of indicators like physical illnesses, anger, irritation, and depression.

**Crisis stage:** After certain time duration, the symptoms may develop into acute psychosomatic disorders like peptic ulcer, tension headache, chronic backache, high blood pressure; sleep disturbance, etc., along with the growth of various means to escape to face the increasing behaviours of self doubt, a pessimistic view of life, and a general feeling of oppression.

**Hitting the wall stage:** At this final stage, an individual is stressed due to his inability to cope with stress. The model recommended by Veninga and Spradley (1981) is indicative in imagery and could lend a hand to a person to identify the warning signals and take preventive actions but it is difficult to design a rigorous analytical model.

**Maslach Model 1981**

Maslach and Jackson (1981) theorized burnout as a syndrome consisting of three elements. First, *Emotional exhaustion* shows a mental and physical tension and strain due to job-related factors. Second, *Depersonalization* is a
keeping oneself away from others and looking at others impersonally. This is a kind of reaction to the chronic emotional strain of dealing at length with other human beings, especially when they are bothered or are having problems. *Diminished personal accomplishment* refers to a feeling of negative self-evaluation.

According to Leiter (1993) depersonalization is as a mechanism to cope with exhaustion where a worker tries to gain emotional distance from their recipients (e.g., treats a client as a number). Yet, many researchers have questioned the depersonalization as one of the component to burnout. E.g. Gaines and Jermier (1983) considered depersonalization as dispensable, Koeske and Koeske (1993) excluded this component from the burnout syndrome to reduce complexity. Still, Buunk and Schaufeli (1993) included this dimension after identifying depersonalization as relating directly to self-esteem. Leiter, (1993) further described that personal accomplishment includes the skill utilization, control, and coping with burnout. Many researchers had a belief that the lack of personal accomplishment is outside the scope of burnout or is not an important dimension of the burnout phenomenon (Gaines and Jermier, 1983; Jayaratne and Chess, 1984; Brookings et al., 1985). However, many other researchers (Buunk and Schaufeli, 1993; Leiter, 1993; Shirom, 1989) considered the MBI (Maslach Burnout Inventory) factor of emotional exhaustion to be the fundamental or core indicator of burnout and it seen to be the strongest factor of burnout (Wallace and Brinkerhoff, 1991).

Leiter and Maslach (1988) explained that there is a sequential development of different dimensions of burnout. Emotional exhaustion appears first as a consequence of the excessive demands at work. To survive in such a situation, the individual keeps himself away from his work and others as a defensive mechanism, and this leads to depersonalization or cynicism. As a sequel to this depersonalization, the capability of the employee to work efficiently decreases and when he realizes that his current undertakings do not match with his
original expectations, it give rise to a sense of reduced personal accomplishment or inefficacy. In his model, developed later in 1991 on the basis of a study of mental health workers, Leiter (2001) described a framework of burnout that explored the effect of both the work context factors as well as coping styles on burnout. This model was advanced by Maslach, Schaufeli, and Leiter in 2001.

**Cherniss’ Transactional Process Model**

Cherniss (1980) sees burnout as a process with three distinct stages involving job stress, strain, and defensive coping. He considered burnout to be a transactional process experienced as a self-perpetuating and self-reinforcing vicious cycle in which one reaction feeds into another till this established pattern is difficult to break.

**Pines’ and Aronson’s Existential Model**

In this model, burnout is defined and subjectively experienced as “a state of physical, emotional, and mental exhaustion caused by long-term involvement in situations that are emotionally demanding” (Pines and Aronson, 1988). They viewed it as intense damage to one’s coping ability resulted due to the chronic existence of exceptionally tall expectations and situational stress. This Burnout Measure developed by them is a one-dimensional measure, which different from the MBI. Shirom (2003) criticized while developing this measure of burnout, Pines and Aronson (1988) have lost consideration to its operational definition.

**Meier’s Model of Burnout**

Meier (1983) defined burnout as “a state in which individuals expect little reward and considerable punishment from work because of the lack of valued reinforcement, controllable outcomes, or personal competence”. His framework is based on work of Bandura (1977), which viewed burnout from
an interactions perspective, signifying that burnout is a consequence of not just the organizational factors; rather it emerges from interaction between the environment and the individual factors. Its four elements of burnout include: reinforcement expectations, outcome expectations, efficacy expectations, and contextual processing. But this model was unable to receive much support by later researches.

*Smith’s Cognitive-Affective Stress Model*

Smith (1986) developed a four-stage model of burnout for athletes that considers the physiological, psychological, and behavioural dimensions of the process of stress and burnout, and the way these components influenced throughout by the individual’s personality and their level of motivation. The four stages are: *Situational demands, Cognitive appraisal, Physiological responses, and Behavioural responses.* This model has specifically considered athletes for study. Thus, it may not be relevant for the employees working in corporates.

*Moore’s Attributional Model of Work Exhaustion*

According to Moore (2000) situational factors like role overload, role ambiguity, role conflict, and lack of rewards have greater chances to work as the antecedents to work exhaustion rather than individual variables. He considered, two types of reactions could be experienced by the individual — either a straight result or outcome of the work exhaustion experience, i.e., attribution-independent attitudinal reactions or, the one resulting due to causal attribution that was earlier undertaken by the individual, i.e., attribution-dependent attitudinal reactions. Therefore, while one reaction is independent of the causal attribution (e.g., decreased job satisfaction), the other is totally contingent on the causal attribution (lower self-esteem at work). A group of
several of components like attribution independent attitudinal reaction, attribution-dependent attitudinal reaction, characteristics of causal attribution and various situational and individual difference factors are expected to decide the behavior or an action taken by the individual as an effort to ease his work exhaustion. Those factors are depersonalization, voluntary turnover, efforts to alter the work situation, and efforts to change one. This process gives importance to the ‘why’ or the causes behind the occurrence of any ‘unexpected, negative or important situation.’ In the situation of work exhaustion, causal search can be considered as an individual’s search for the reasons of his/her work exhaustion. The outcome of the causal search is the perception and understanding of the cause of the exhaustion.

*Golembiewsky’s Phase Model of Burnout*

Golembiewsky’s model has a base of Maslach’s (1982) model of depersonalization, personal accomplishment, and emotional exhaustion. On the basis of the responses on Modified MBI (MMBI), the individual acquires definite scores on all the three dimensions, later on his score on every dimension is coded as high or low on the basis of available standards from a large population across the eight phases of burnout. As per the view of Leiter (1989) Golembiewsky’s approach is deficient in empirical support; he had doubts about Golembiewsky’s dichotomization procedure of the phases and criticizes the whole process of ‘dichotomizing continuous scales.’

*Sharma Burnout Scale (2007)*

This scale is also based on MBI scale. Where author reveals that MBI that is developed in 1982 has mainly been based on people occupations (like nurses and teachers) and afterward extended to non-service occupations. After testing the same by Sharma (2007) in the context of Indian scenario on sample of executives, it discovered that there is a distinction in the dimension of diminished personal accomplishment which was not applicable in case the
Indian respondents. It was seen that people suffering from burnout did not have low personal accomplishment; on the other hand, high achieving executives were mainly seen to get affected by burnout. Sharma’s scale shows that emotional intelligence mediates and causes personal effectiveness which moderates the inception of burnout. Stress personality and personal inadequacy are found to be personality-related factors as predictors. She also found that role expectation conflict, role stagnation, self-role distance, role overload, role erosion, resource inadequacy, inter-role distance, and role ambiguity are role-related factors predicting of burnout among Indian executives.

Several demographic variables have been studied in relation to burnout, but the studies are relatively few and findings are not that consistent. (Schaufeli & Enxmann, 1998). Study by Tripathy (2002) shows that male managers are the higher burnouts in all three subscales, higher the qualification greater is the burnout, managers in the middle management cadre are the highest burnouts, and managers in the age range of 41 to 50 years and those having 21 to 30 years of total work experience show highest level of burnout.

2.5.3 Turnover Intent

Employee turnover is a serious problem for any organization. Many organizations invest in recruiting and retaining the best employees to reduce turnover. Organizations evaluate intention to turnover of present employees; this shows the extent of contribution of the employees. Researchers have defined turnover and turnover intention different research studies. Turnover intention is usually defined as seriously considering leaving one’s current job (Guimaraes et al., 1992). It was conceived to be a conscious and deliberate wilfulness to leave the organization (Tett & Meyer, 1993).

Thought intention to leave does not measure actual turnover of employees, research has suggested that an individual’s intentions to leave or stay is
inclined to be a sufficient predictor of turnover behaviour (Fishbein and Ajzen, 1975; Locke, 1976; Mobley et al., 1978; Steel, Ovalle, 1984). Sager (1991) conducted longitudinal study of on salespeople, in which intention to quit was found to discriminate effectively between leavers and people with intention to stay. This study is an example of validity of studying intentions to quit an organization rather than actual quitting behaviour. Though turnover intention is not the same as voluntarily turnover, Igbaria and Greenhaus, (1992) have utilized intentions as indicative of actual quitting behaviour on the basis of the fact that intentions are the most direct determinants of actual quitting behaviour (Armitage and Connor, 2001; Kim and Hunter, 1983; Ajzen and Fishbein, 1980). While conducting a study of turnover on psychiatric nurses, Alexander et al. (1998) realized that intentions were vital predictors of turnover and that the greater part of variables in their model affected on turnover via intentions to quit. However, many researchers viz. Griffeth et al., (2000) and Hon and Griffeth (1995) have contended that intentions to quit do not elucidate a great amount of the variance in quitting behaviour. To support, Seston et al., (2009) found that relatively small proportion of employees have actually left the organization who showed intend to leave the job, suggesting that intentions may not be translated into action in this group of pharmacists.

If antecedents of turnover intent are examined, it will give better understanding to managers to design and reduce voluntary turnover. The Steers and Mowday (1981) described job attitudes other than satisfaction as antecedents to an employee’s intentions to leave. It has also been seen that employee form an intention to quit when the perceived job alternatives in the market are considered be good (Hom et al., 1981; Sager et al., 1988).

Results by Arnold & Feldman (1982) indicate that turnover is significantly influenced by age, tenure in the organization, overall job satisfaction, organizational commitment, perceived job security, and intention to search for an alternative position. Further, it was discovered that different aspects of
satisfaction e.g. pay, supervisory, co-worker, work were associated with intention to leave (Griffeth et al., 2000). Similarly, it has been over and over again observed that job dissatisfaction correlates with turnover intention (Cotton & Tuttle, 1986; Jaros, 1997; Lee & Mitchell, 1987; Sager et al., 1994). Hinshaw et al. (1987) contend that job stress indirectly affected turnover intentions through job satisfaction. The decrease in turnover and intention to leave is seen with the increase in the level of organizational fit (O’Reilly, Chatman, & Caldwell, 1991; Vandenberghe, 1999; Van Vianen, 2000). Similarly, organizational commitment has appeared to be a direct antecedent of employee intent to leave (Tett & Meyer, 1993). Some evidences also show that pay attitudes are related to commitment (Cohen & Gattiker, 1994) and quit intentions. The discrepancy model used by Jiang and Klein (2002) to study the difference between what employees want and how the organization satisfies those wants. The same has seen to affect the employee’s intentions to leave the organization.

The body of theory on which turnover literature is based, is rooted primarily in the disciplines of psychology, sociology, and economics. The same can be seen by turnover models developed by various researchers. These models can be explained briefly as follows:

*Mobley et al. (1979) model*

This model depicts four key determinants of intentions to quit and consequently lead to turnover. Those factors are: job satisfaction – dissatisfaction, expected utility of alternative internal work roles, expected utility of external work roles, and non-work values and contingencies.

*Moore’s (2000) Turnover Model*

Ellen Moore (2000) in this model studied work exhaustion as a possible mediating factor of turnover intention. His outcomes revealed that technology
professionals with higher degrees of exhaustion depicted a higher intention to leave their job.

**March and Simon Model**

March and Simon’s (1958) model of voluntary turnover is extensively used in the past literature today. It has been the most significant model in the research related to voluntary turnover, with modest done to change its original views. It is suggested in this model that ease of movement, known as perceived availability of job alternatives in today’s literature, and desirability of movement known as job satisfaction are the two contributing factors of voluntary turnover. On the basis of the work by Meyer and Allen (1991) the traditional model voluntary turnover included organizational commitment. Their model considers three facets of organizational commitment.

Several research studies have been undertaken to establish the validity of the traditional model of turnover which consists job satisfaction, organizational commitment, and perceived availability of job alternatives. But, because of the relative novelty of Job Embeddedness, very less research has been done on testing its validity or relevance to different contexts and samples.

**Lee and Mitchell’s (1994) unfolding model of voluntary turnover**

This model proposes two theories of how turnover occurs. They recommend the existence of a pull theory, which intends to focus on the external factors of an organization that are out of direct control such as an unsolicited job offer, spousal relocation, or other family obligations. On the other hand, a push theory is related to the organization forcing an employee to leave due to different organizational situations. For example, the organization may demand more time from the employees, compelling them to take a decision between family and work. This may lead to dissatisfaction among employees with organization and the same can result in their deteriorating commitment.
The new model of Job Embeddedness (Mitchell et al., 2001)

This model evaluates three seemingly distinctive constructs rather than the three in the traditional model. Job embeddedness consists of three diverse dimensions, which combines to structure one overall construct of job embeddedness. The first element in the job embeddedness construct is organizational links which is formed with the number of employees, teams, or work related projects the employee is directly linked with. This dimension studies the definite number of such links, as against a subjective attitudinal rating of the teams, employees, or work-related projects the employee is associated with. The second dimension is organizational fit which stand for how the employee perceives the compatibility with the organization, also well-known as person-organization fit. The third and last dimension of the job embeddedness is organizational sacrifices. It includes the costs of the employee leaving their current organization for another.

Rouse (2001) proposed that job dissatisfaction is the result of unmet need for achievement among employees. According to the models mentioned before, this job dissatisfaction will possibly lead to intention to leave.

The discrepancy model used by Jiang and Klein (2002) helps to scrutinize how the difference between what employees want and how the organization satisfies those wants affected the employee’s intentions to leave the organization.

Ghapanchi & Aurum (2011) presented taxonomy of IT turnover antecedents comprising the five major categories: individual, organisational, job-related, psychological, and environmental factors.

The important finding from above turnover studies is that people who do not fit an environment well will tend to leave it (Mobley, 1982). Campion (1991) suggested that the turnover measures should be observed as lying on a
continuum rather than on one of the two ends. Reduced employee turnover intent may be a sign of better employee retention. Shields and Ward (2000) find that nurses who report overall dissatisfaction with their jobs have a 65% higher probability of intending to quit than those reporting to be satisfied. Few research studies consider whether employees are at present thinking of quitting, and while other studies consider whether employees had thought of quitting during a specified time-period in the past (e.g., past 3 months) or if they had intended to leave within a designated time-period (Thatcher et al., 2002). The study by Kirschenbaum and Weisberg (2002) suggest that for the average worker, the probability of intent to quit is stronger when a change in job type is involved, regardless if it is in the same or different department or between organizations.

Apart from work and organizational related variables, individual variables influence turnover intent among employees of the organization. They are age, gender, tenure, education, and also marital status.

A steady negative relationship between age and turnover is observed in reviews of turnover literature. This shows that younger employees have exhibited a higher likelihood of leaving an organization (Mobley et al. 1979; Price 1977; Muchinski and Tuttle 1979; John Besich, 2005; Ahuja et al, 2007). An individual in the early career stage attempts to become established in a job that interests her or him, but if this job proves inappropriate, she or he opts to choose another job. Employees at this stage express greater intention to leave their organization and more willingness to relocate than those in other age groups (Orstein, Cron, & Slocum, 1989; Oenstein & Isabela, 1990). Similarly, Griffeth et al. (1992) argued that occupational aspirations and concerns are formed by factors like age or work life experiences. Younger employees show more tendencies to move and have lesser psychological investment in the organization. In case of middle-aged employees the tendencies engage in behaviours is high which leads to stabilization. Finally, older employees are
seen to usually involved in maintenance behaviours (Joseph et al., 2007). In contrast to this study, Baack, Luthans, and Rogers (1993) found that age positively correlated with protestant pastors’ turnover intention.

It is observed that female workers have higher turnover than males (Marsh and Mannari, 1977; Lambert, 2006). In contrast to that, Joseph et al. (2007) contend that men generally report stronger intention to IT turnover. While Griffeth et al., 2000, have found gender to be unrelated to turnover intention.

It is found that tenure is negatively correlated with intention to leave (Baack, Luthans, and Rogers, 1993; Lambert, 2006). This means as tenure increased, the desire to leave decreased. Cascio (1997) found that tenure in the previous job, as part of a weighted application blank, was predictive of turnover. In contrast, few studies have found no relationship between tenure and turnover (Jurik & Winn, 1987; Ahuja et al., 2007) but many other studies have observed a relationship (e.g., Byrd, et al., 2000; Camp, 1994; Robinson, et al., 1997; Douglas Trimble 2006).

The significance of education as a variable is uncertain considering the large disparity in the quality of education (Mobley et al.). In addition to that, the lack of variation in education in studies such as Hellriegel and White (1983) prohibits sufficient evaluation of the relationship between an individual’s education and their intention to leave. Still Lambert (2006) contends that in regards to education, those with a college degree were more likely to express turnover intent as compared to staff without a college degree.

2.6 Summary

An accurate and consistent theme throughout the literature is that organizations have the opportunity to reduce employee turnover and increase retention by utilizing appropriate selection processes, presenting applicants with realistic job previews, invoking certain organizational activities such as
orientation programs, and analyzing data related to recruitment sources (Muchinsky & Tuttle, 1979; Rynes, 1991; Wanous, 1989). The vast majority of retention research shows retention and recruitment as two sides of the same coin (Fields, 2001). Fields pointed that retention and recruitment efforts are in fact intertwined. Buck and Watson (2002) also agreed to the interconnection between recruitment and retention. They proposed that by the use of suitable recruitment processes, and sharing realistic job previews to the potential new employees, and implementing effective orientation programs in fact lowered employee turnover. Carpitella (2002) further supported the fact by stating that poor supervision, little direction, and unfulfilled job expectations during the intial stages of employment, are vital reasons of employee turnover. As oppose to this orientation practices such as meaningful supervision, direction, and alignment of job expectation to performance need is seen to be convincing indicators of employee retention.

2.7 Research Gap

All prior studies in the stream of recruitment research used college students as subjects and the school/ college campuses as a field of recruitment (Rynes & Miller, 1983; Harris & Fink, 1987; Taylor & Bergmann, 1987; Powell, 1991). Harris (1989) also noted that all of the research he reviewed involved college student reactions to campus interviews and questioned generalizability of other jobs. Thus, it becomes essential to consider applicants from other than college students, and campus recruitments to better understand recruitment and retention aspects.

Apart from for the literature on realistic job previews (Premack & Wanous, 1985; Wanous, 1973), prior empirical research has offered little information about how applicants react to diverse recruitment activities or about the stubbornness of their responses over time. Therefore, there is requirement for research that to enlarge recruitment outcomes on various dimensions.
Applicants with greater work experience have greater awareness of work environment and so they may be influenced less by recruiting practices, and focus more on job attributes (Powell, 1984). These studies have considered immediate effects (i.e. immediately after interview, one week after the recruitment process, etc.) of recruitment practices on applicant reactions i.e. their job choice decision, attributes of recruiter, interview experience, etc (Powell, 1984; Harris & Fink, 1987). Recruitment process can have long term effect on the candidates and the same is needed to be tested. In contrast to that Harris (1989) stated that recruiting practices affect applicant reactions only for a specified duration because of the applicant’s peripheral processing of information at the time of interview. Studies that assessed applicant reactions immediately after the interview, such as Harris & Fink (1987) would be most likely to show an effect of recruiting practices. Barber (1998) suggested that previous research has failed to paint a compelling picture regarding relationships between recruitment source and post-hire outcomes. Thus, further research needs to be conducted to understand long term effects of recruitment activities on their retention.

It is observed that recruitment researchers tend to ignore that companies implement recruitment strategies differently and also the possibility that their effectiveness may differ with the organizational context in which they are implemented (Rynes & Barber, 1990; Taylor & Collins, 2000). Therefore, next level of research should consider organizational context to understand recruitment and retention in the same.

Most of the research on recruitment and retention has studied employees in the United States or other western countries. Less information is available on these aspects among employees in countries that constitute a significantly different institutional and cultural context. In particular, little is known about the relationship between recruitment and retention among employees in India.
Hausknecht et al. (2004) recommend in their study that to enhance generalizability of applicant reaction research, studies should explore reactions by working professional, older workers, and applicants to private industry. They also contend that process of recruitment might differ for individuals who are applying for senior-level and executive positions as compared to that of entry level or public sector personnel. Additionally, older workers may hold different view towards recruitment procedure from their younger counterparts. Therefore, consideration of individual variables should be made for better understanding of recruitment and employee retention.

The majority of the previous research has paid attention to the aspect as to why employees leave once they are in an organization. Very less research is available which has investigated whether employers can reduce turnover at selection (Barrick & Zimmerman, 2005). Thus, purpose of this study is to systematically explore whether applicants with high turnover propensities can be identified and avoided prior to organizational entry.

Thus, the current work is based on the assumption that it is still interesting to study post-hire outcomes (retention) of recruitment sources.

2.8 Hypotheses

Robertson et al. (1991) has shown that reaction to selection procedures can be related to organizational commitment and intentions to leave. Research on realistic recruiting practices has suggested that if individuals make job choices with artificially high expectations of what they will experience at work, lower satisfaction and higher turnover are more likely than with realistic expectations (Wanous, 1976, 1977).

Considering the review of literature by various researchers mentioned in previous section and views of Robertson et al. (1991), Wanous (1976, 1977) hypotheses are developed. They are stated as follows:
Major Hypothesis

H₀: There is no significant relationship between recruitment strategies and categories of employee retention.

H₁: There is significant relationship between recruitment strategies and categories of employee retention.

Minor Hypotheses

Major hypothesis is stated with the following minor hypotheses.

Literature points out inconsistencies between findings of survey and empirical research on source effectiveness and suggests the need for further research focusing on the causes of differential effectiveness. Taylor (1983) strongly supports the utility of identifying and studying the effects of individual characteristics in future studies of recruitment source effectiveness.

1. H₀: There is no significant relationship between recruitment sources and loyal employees retained in the organization.

   H₁: There is significant relationship between recruitment sources and loyal employees retained in the organization.

2. H₀: There is no significant relationship between recruitment sources and burnout employees in the organization.

   H₁: There is significant relationship between recruitment sources and burnout employees in the organization.

3. H₀: There is no significant relationship between recruitment sources and turnover intention of employees.

   H₁: There is significant relationship between recruitment sources and turnover intention of employees.
Individuals will try to justify job choices (O'Reilly & Caldwell, 1981). Any post hoc study of job applicants' information use must take into account individuals' reactions to jobs. Without accounting for these individual reactions, we cannot separate prospective use of information from retrospective reports of use of information. Thus, the objective of this research is to find out the relationship between information shared with the applicants and type of employees retained in the organization.

4. $H_0$: There is no significant relationship between information shared and loyal employees in the organization.

$H_1$: There is significant relationship between information shared and loyal employees in the organization.

5. $H_0$: There is no significant relationship between information shared and burnout employees in the organization.

$H_1$: There is significant relationship between information shared and burnout employees in the organization.

A review of 11 studies (Reilly, Brown, Blood, & Malatesta, 1981) reported that turnover was significantly lower than expected across studies for individuals who had received realistic job preview information. A study by Caldwell and O'Reilly (1985) show that individuals who report that they have received accurate information about jobs are less likely to leave their organizations than are those who have received inaccurate information. Thus, hypothesis is framed as:

6. $H_0$: There is no significant relationship between information shared and turnover intention of employees.

$H_1$: There is significant relationship between information shared and turnover intention of employees.
Taylor and Bergmann (1987) found that recruitment activities had no effect on applicant reactions across different stages in the recruitment process. Further research is needed to test this more carefully. In their recommendations, Harris & Fink (1987) suggested to determine whether the impact of recruiter is merely temporary or has permanent effect on applicant perception.

7. $H_0$: There is no significant relationship between recruiter & recruitment process and loyal employees in the organization.

$H_1$: There is significant relationship between recruiter & recruitment process and loyal employees in the organization.

8. $H_0$: There is no significant relationship between recruiter & recruitment process and burnout employees in the organization.

$H_1$: There is significant relationship between recruiter & recruitment process and burnout employees in the organization.

9. $H_0$: There is no significant relationship between recruiter & recruitment process and turnover intention of employees.

$H_1$: There is significant relationship between recruiter & recruitment process and turnover intention of employees.

None of the research studies mentioned in the literature review section explain applicants’ reaction to interview process and also its long term relationship with employee behaviour (Taylor & Bergmann, 1987) in terms of retention.

10. $H_0$: There is no significant relationship between interview structure and loyal employees in the organization.

$H_1$: There is significant relationship between interview structure and loyal employees in the organization.
11. $H_0$: There is no significant relationship between interview structure and burnout employees in the organization.

$H_1$: There is significant relationship between interview structure and burnout employees in the organization.

12. $H_0$: There is no significant relationship between interview structure and turnover intention of employees.

$H_1$: There is significant relationship between interview structure and turnover intention of employees.

Both theoretical and empirical works have suggested that variations in attraction practices can have important effects on long-term (i.e., post-acceptance) outcomes as well. For example, organization applicant interactions may influence applicants’ subsequent decisions to stay committed or leave the organization. Decisions to enhance attraction inducements (e.g., housing assistance, higher starting salaries) have been shown to lead to reduced turnover (Hamlet, 1989; Lakhani, 1988).

13. $H_0$: There is no significant relationship between applicant attractors and loyal employees in the organization.

$H_1$: There is significant relationship between applicant attractors and loyal employees in the organization.

14. $H_0$: There is no significant relationship between applicant attractors and burnout employees in the organization.

$H_1$: There is significant relationship between applicant attractors and burnout employees in the organization.

15. $H_0$: There is no significant relationship between applicant attractors and turnover intention of employees.
H₁: There is significant relationship between applicant attractors and turnover intention of employees.

2.9 Concept Map

Hypotheses mentioned in the previous section are diagrammatically represented with the help of following concept map:

![Concept Map]

**Figure 2.5 – Concept Map**

In order to collect data and analyze the same, appropriate methodology is designed and presented in the next chapter. The next chapter also includes sampling and method of data collection.