Chapter 2

Literature Survey and Research Design

Various researchers at various points of time have made some study on the phenomena of reemployment of the former employees and have documented in the form of articles and research papers. In this chapter a detailed survey of the literature with reference to rehiring is presented. At the later part of the chapter, a detailed discussion on the need for the study, statement of the problem and the proposed research methodology is presented.

Introduction:

Globally there is one aspect that has consensus of all the management gurus, consulting firms, and corporate leaders. That is the challenge in acquiring and retaining talent. It is phenomena in both developed and developing economies. Skill shortage, talent management is discussed and debated at every forum in the same breath along with growth and development.

A survey conducted by Deloitte in the year 2008 as shown in Charture 2.1 echoes the same sentiment. The survey shows that 71% of the HR challenge lies in attracting the talent, developing and retaining the talent.
Further, when queried on the factors that contributed to the growth of the organization – high quality employees stood at 67% which seals any doubts on the contribution that employees make to the success of their organization.

**Chart 2.2: Factors that contributed most to the growth of the organizations**

Source: Deloitte Consulting (2008)
In view of these findings, the role of employees and the need for retaining your employees is of utmost importance and due priority and effort is required to ensure the same.

The demand and supply gap has created a manpower crunch for specific skills. Countries and organizations need to address this concern through education programs offered, training and providing opportunities internally. Focus should move from brain drain to brain gain creating environment to make it a reality.

HR plays lead role in talent acquisition, building a pipeline for growth. They need to be innovative in identifying different sources for recruitment that can address the concerns of quicker hire, reduced cost per hire and quality of hire to name a few. Acquisition needs to be supported to ensure that the new joiner is on boarded as per company policy. Employee engagement has replaced employee satisfaction.

Professional organizations conduct employee engagement surveys through consulting firms with an objective of getting open and unbiased feedback on various policies, processes, support, organization culture, leadership style, accepted and preferred behavior etc, this would provide a lot of insights to the organization. Employee engagement surveys will be effective only when the employees are confident that the feedback shared by them will be confidential as they may fear that if identified they may be targeted. HR must convince the employees about their genuine interest in the wellbeing and success of the employees and the organization.
HR should put processes and policies which are known to all employees and in the interest of the employees and the organization. They must play the role of business partner and catalyst for the growth of the employees and the organization.

Talent acquisition and retention is driven by the HR team and they are always in search of innovative means to address this key challenge. Rehiring your alumni, boomerangs or ex-employees is one such innovative method which when done in the right manner can provide a quick solution to the talent crunch.

**Literature Survey:**

Anu Kurian\(^2\) (2013) says that N.R. Narayana Murthy who took over as the Executive Chairman of Infosys in June’2013 has taken steps to “woo” his senior executives to join competition. He wants his former talented executives back at Infosys. After Narayan Murthy gave up the leadership role, there were many changes that were experimented and they have also led to many star performers responsible for growth of Infosys and its foray into the leadership role in IT Industry in India change their goal post and take up positions at helm in competitive organizations. Infosys became a case of bad succession planning and this impacted its position in the market.

Narayan Murthy took upon himself to rectify this situation and rejoined as an Executive Chairman, an example of a boomerang at the senior most position in the organization. He completely understood what is ailing the
organization. He is actively working on a list of leaders who were associated with Infosys and planning for their rehire. This strategy clearly comes from the distinct advantages of rehiring your ex-employees who understand the business, challenges and can deliver faster in crisis situation and yield positive results. An organization is well versed with the ex-employees work style, can be dependable, the staff also is accustomed to working with them hence they can deliver results with higher reliability. Getting your ex-employees to join the organization, also keeps them away from contributing to your competitor’s advantage!

Suzanne Kapner and Sharon Terlep\(^3\) (2013) say “It doesn’t happen often, but rehiring of a former CEO is hardly novel”. A number of big-name chief executives have returned to their jobs at the behest of struggling companies hoping their ex-chief can engineer a return to grandeur. Former CEOs have the ability to jump into a crisis situation, set a new course and marshal the support of employees and investors without having to learn the ropes.

In a survey conducted by Timesjob.com and the article on the same - “Boomerang hiring – return of ex-employees”, 85% of employers hire ex-employees in their organization. S.R. Manjunath\(^4\) (2013), Sr Director-Human Resources, in a leading IT company opines that they welcome ex-employees who are well accustomed to the organizations culture, practices and systems, making it easier for them to deliver results as they have proven track record and competencies. Organizations welcome employees who have left on a good note and have not been terminated due to issues
of integrity, unethical practices or non-compliance to organization’s core values.

Communication plays a key role in boomerang hiring. It is important to keep the communication on through formal and informal channels keeping ex-employees informed about the openings, developments and initiatives making the organization a great place to work. It is also important to understand that for success of rehiring, positioning of the boomerang in terms of hierarchy and team is the key.

Further, Jotwani, Head Recruitment, in another global organization sums up saying, "Rehires help to build the reputation of the company individually and the industry as a whole as they validate the company as a better place to work for than the greener pasture for which the employee had initially left the company, this increases goodwill towards the company and helps to improve retention of current employees as well."

Heather R. Huhman\(^5\) (2012) says Managers and organizations are in constant search for best talent to meet the growing needs in a thriving economy. Challenge is to get the talent that suits the organizational requirement and that would stay. Randall Birkwood, a senior HR director tested which sources of hire had employees “meet expectations” the most after one year. Most organizations use referral format for hiring wherein the new recruits are referred by their own employees, it is assumed that this is one of the most successful methods. However, results of the study
indicated that employee referrals are the third source of quality hires. The most successful method as indicated by the results was rehires.

Rehires join the organization with a much higher commitment levels and a desire to succeed, and also with minimal training. While this may be the best source for Recruiting Managers, care must be taken to ensure that the same process of due diligence and selection must be followed for the ex-employee, as the attempt is to get the best ex-employee join back.

Further Huhman states that for the rehire to start delivering desired results, it is important that the organization spends time and effort to update on the developments during his absence, any changes in the policies, expectations etc. This would help the rehire. Rehire will also need to be introduced to existing employees and it is the responsibility of the organization to share with the employees reasons for the rehire and convert the concerns to positive communication by sharing that the organization welcomes ex-employees who have potential and were performers.

Sheetal Srivastava⁶, (2011) states that India Inc is discovering the value of a ready talent pool and open to re-hiring its former or ‘alumni’ employees who have been away for some years. While on one hand, it brings back a "familiar" pool of employees, on the other, it gives such employees a chance to prove their mettle once again. She further examines and shares the practices followed by a few organizations that practice rehire as a policy. The writer believes that a relationship with a talented workforce
should be continuous and last beyond the employment period. When an employee comes back to join the organization, s/he returns with more knowledge, experience and zest to do the job along with a fresh perspective to the table. So, while staying in touch with your past in your personal life doesn't make any sense, it's certainly not a bad idea to do so in your professional life.

Claudio Fernández-Aráoz (2009) recommends rehire outlining reasons for rehire and the care that needs to be taken for success of the rehiring process and the rehire. The author states that ex-employees are like these "outside-insiders" who understand the organization culture and are a good fit as they know the drivers for results that contribute to the organizational growth. Rehiring is not always easy as it is sensitive where one needs to plan for complete integration and also ensure that the ex-employee goes through the same due diligence process as would be followed for a new candidate.

The ex-employee can become unhappy with the rigorous process of interviews, background and reference checks that he needs to go through, he must however be explained the need for the same out. Managers need to explain to the existing employees who may question the very need for rehiring an employee who once left the organization. Recruiting Managers many times, end up overselling an existing position to an ex-employee, which will be setting up high expectations. The rehire will not succeed, if the reality is different from the projected.
Success of rehiring is based heavily on the way the company reintegrates this rehired executive. Communication to existing employees on the need to rehire, especially to those who feel they were potential candidates for the said position is important, else the rehire will have a lot of daily challenges making it difficult for him. Returning employees also need to be informed on new developments and expectations have to be set in the right perspective. A formal follow up mechanism should be set up so that the progress of the rehire can be tracked and also address any concerns that the rehire may have and help to meet the organizational requirements.

Dr. John Sullivan⁸ (2006) said Boomerang recruitments have one of the highest ROIs in recruiting, when compared to many other sources of recruitment. The time and efforts spent in recruitment and training of the boomerang is comparatively much lower when compared to the same for a new recruit. Boomerangs after having spent time outside the organization, understand not only the organization’s strategies but may also have hands-on experience of the strategies, best practices and drivers for results, in competing organizations, making their skills unique to the organization. Hiring a boomerang has many advantages like the hiring process can be faster, the rehire is well versed with skills and knowledge and his orientation to the required level can be much faster.

Rehire also has low chance of failure as he is selected carefully and his level of performance is already known. Further, having seen the grass on the other side, he has many stories to share that help in retention of the existing employees. Other ex-employees may also consider returning to
the organization if they get the message that the organization is positive towards their rejoining. Even if an ex-employee does not join, if his experience is good, he may be an ambassador for the company outside and may play an important role by referring new customers, initiating tie up for business etc. However, it is important for the recruiting managers to follow a structure for identification of candidates for rehire and methodology and approach that needs to be followed.

Every organization would like to welcome back its Top performers. Recruiters should also consider consultants who have worked for long period of time, have shown promise for hiring, considering them as good as your employees. Also many ex-employees may not consider joining back but a call from the organization will go a long way in bridging gaps, if any. Further, it may be noted that boomerang hiring comes with its own set of challenges hampering its success like the organization may have changed from the time the ex-employee left and no longer it fits in his dream company criteria. Existing employees may make the rehire unsuccessful if they feel that the organization does not value their loyalty.

In part 2 of the same article\(^9\) (2006), focuses is on the steps that one must take in order to develop a world-class boomerang/alumni program. Dr Sullivan brings our attention to the steps that needs to be followed at different stages to build this program which starts from the point when key employees leave the organization and continues as an ongoing interaction program that engages the corporate alumni.
To ensure that rehire is done as a conscious effort and not an ad hoc or chance recruitment it is important to assign this process to an individual or a team that focuses on ensuring all steps are taken for focused boomerang recruitment. It is important to have a buy-in of the recruitment managers through a strong business case giving benefits of the same who will drive the process for hiring. To ensure boomerang hiring is done in a systematic manner and also considering the sensitivities involved, it is important to have a documented program that has the approval of the legal team.

For companies operating in global set ups, local legal processes may need to be checked, this is important to protect the organization of any legal pitfalls. It is important to have the list of past layoffs, voluntary terminations who might be your potential rehires, the top performers are the first targets. Author also goes a step ahead and states that an organization must pre-identify key performers that may be contemplating resignation so that you keep them away from resigning. It may be important to develop the metrics to assess the performance of the program.

An ex-employee also always remembers the treatment received after the resignation was handed over, it is important that the experience of an outgoing employee is pleasant. After making efforts to retain the employee, if he/she decides to continue with the decision to resign, it is important to inform them that they are welcome to join back, at a future date.
Exit interview plays an important role in this communication and retention effort. The employee can be made aware of any alumni network that may exist, which is the platform for sharing the developments through newsletters, vacancies that exist, etc. It is also important to make conscious efforts to be in touch with the ex-employee at regular intervals, through formal and informal chats. This will help to gauge if the ex-employee is settled in his new assignment and if he could join back. Ex-employees who joined startups can be tracked separately as they may join if not used to the startup environment.

It can be noted that the steps in rehire process and the methods used to woo the rehire will vary as they may be more specific to the industry, organization, talent pool, and the opportunities. Targeted boomerangs being included in company events and also celebrating the return of a boomerang will go a long way in spreading the message to the ex-employees about the company’s perspective on rehires. Finally, the author concludes by saying that it’s essential that organization’s alumni are an important component of the overall sourcing and recruiting strategy. It’s all about relationship building and continuing the same long after the ex-employee has left the organization that will bring the ex-employee back to the organization.

A study carried out by Jocelyn Moore and Erin Peterson from Hewitt Associates provides the templates for Rehire Policy and provides a strong business case for rehiring. They also share a Select Minds research that assessed need for rehiring and found that
“Rehires come up to speed, on average, 50% faster than all experienced hires and, on average, stay twice as long, 50% of all new business wins are attributable to alumni and other personal contacts. Bain & Company research findings indicate that 81% of workers would be interested in returning to a former employer in the future, assuming that they left on good terms. 44% view “having worked for the same company in the past” as the number one way to establish trust in relationships. 33% of all employees say they currently remain in contact with 30% or more of their former co-workers” which seals the benefits of rehiring.

Further, need for rehire policy stems from need to communicate to the employees guidelines for reapplying. It also defines expectations – both for the ex-employee and the organization. Policy also ensures consistency for all rehires. Rehire policy defines who is eligible and not eligible to reapply. It also provides contact information and process details. Alumni network plays an important role in ensuring ongoing communication with all ex-employees.

Social networking sites, newsletters, webcasts, regular updates on company events, alumni forums, alumni referral program, existing vacancies, developments etc are key to engage with the ex-employees effectively. The author reiterates the role of regular ongoing communication through various media with the ex-employees that would help to bridge the gaps and entice them to reapply when a suitable opportunity is available.
Clay Wyatt, a Freelance Writer who specializes in business and financial writings assesses whether “Boomerang employees are good for business or a potential landmine?” He examines various reasons for considering rehiring and also puts forth case for moving on and not considering rehiring an employee. Boomerang hiring can be very efficient as the organization saves time and money. Time spent on sourcing new profiles, shortlisting and going through the entire selection process is a time consuming process. The author further, calculates the cost saving through boomerang hiring is in the range of $ 15,000 to $ 20,000.

In addition to the cost saving, the boomerang also comes with familiarity gained during his previous assignment with the company and he also is productive from the first day, as compared to a fresh hire. It may also be noted that after experiencing the work environment elsewhere the rehire is more likely to spend a longer time in the organization, improving retention.

While benefits of rehiring are evident, it is also important to understand when boomerang hiring has to be avoided. If the reasons for termination earlier have been unpleasant, chances are the ex-employee may still hold a grudge and it will affect the performance and environment on rejoining, in addition to the time spent on documenting the exit again and the formalities involved.
To sum it up, Clay Wyatt states “Catch the boomerang if it didn’t hurt when it left your hands. Let it pass if you have a painful memory of its departure.”

Ira S Wolfe\textsuperscript{12} states that the cost to re-hire a boomerang employee has been reported to be 1/3 to 2/3 the cost of hiring a “virgin” employee which has one of the highest returns on recruiting investment. Employees who left the organization were referred as traitors, over the years there has been considerable change in the work culture and environment. It is no longer expected that an employee will retire from the organization after spending his complete work life in the same organization. Hence the word “traitor” was replaced with “alumni”.

The number of employees who continue in a single organization throughout their lifetimes and vice versa is on the decline. Job hopping is now a way of building your career. Boomerangs recruitment is now a well-accepted norm as they bring the benefits of experience they gained outside. They may have got exposure to strategies that will be advantageous to the boomerangs and the organization. Rehire should be considered only if the boomerang is a good fit for the job and has the skills needed for the job.

Further, employees with specific and specialized skills will have good opportunities and they will leave for greener pastures. The organization can be in touch with the employee and consider him for rehire based on the requirement. It is also important to note that boomerang hiring is not
an easy path, a lot of sensitivities are involved. Reintegration of the boomerang employee is key to the success of rehire. Work dynamics and interpersonal issues need to be addressed, as may be required. Rehiring, if good for business, must be encouraged.

Care should be taken to identify the right candidate for rehire – top performers head the list of probable boomerang hire.

Andrea Ballard et al\textsuperscript{1,12}, shares that Generation X employees do not like to stick to one job and they on an average leave in 18 months. This results in high turnover and increasing cost of attrition and recruitment. Employees meeting the organization’s criteria can be communicated on the philosophy that the organization has on rehire. Communication is important at various stages for rehire to be successful, starting from the resignation – effort to retain and if the employee decides to continue with the plan, it is important to inform him that he could rejoin the organization and that he would be welcome. It is also important to communicate with the ex-employee few weeks, months after joining the other organization; this would help to assess the pulse of the employee and his interest to rejoin.

Rehiring former employees can be productive from their joining, they can also influence the existing employees by sharing their experience outside which may not be very encouraging thus supporting in employee retention efforts. The rehire also would have gained an exposure to strategies and good practices which can be implemented.
Author also allays the fear that an ex-employee may have with regards to rejoin and its impact on his profile, stating that rehire is an indication and an organization’s approval and acknowledgement of your good work and hence is a positive indication. According to Dr. Izzo, “Today’s employees, especially younger employees, want variety and will often leave even if we treat them well. We should start thinking about people working for us several times in a lifetime instead of once for a lifetime.” In view of this rehire becomes important.

Ramandeep Kaur opines that often, boomerangs are found to be the best fit for a job. And in today’s dynamic workforce and workplace, where nor the employees are reluctant to welcome back their ex-employees and neither are employees embarrassed to go back to their ex-employers or organisations; hiring boomerangs can be the strategy for surviving in this competitive corporate world. She also assesses the benefits and pitfalls in boomerang hiring and shares details of some of the companies which follow boomerang hiring as a policy.

Mitch Bryant\(^{14}\), (2003) urges those managers with a no-rehire policy to reconsider their organizations’ decision. Though the reasons for such a policy could be valid but the benefits of rehire cannot be ignored. There are several reasons to consider rehiring. In today’s technology driven organizations, huge amount of money is spent on training the employees on the technologies used to drive business, such employees when they leave create gaps that are difficult to fill. The investment in time and money needed to bring a new candidate to speed to meet the requirement
is very high. Hence it is in the interest of the organization to recapture the investment.

One of the views maintained by the organizations that do not consider rehire is that when the employee leaves he takes with him vital knowledge and expertise that they gained in the organization but it is important to note that even if the employee left he may still be worth considering for rehire, as it may be a career decision that may not have worked best and he may be willing to rejoin.

It is further suggested that a written rehire policy helps in listing out the norms and process that needs to be followed when rehiring. This will help in defining the do’s and don’ts that need to be considered from identifying a candidate for rehire to the rehire. The policy helps in determining the success of the rehire process. The author has also shared templates for the same. It is further recommended that the policy also should be shared with all the employees so that they are aware of the circumstances under which an employee will be considered for rehire and that in the event of resignation and if the employee considers rejoining, the organization would consider rehire based on the policy.

Further, the benefit of exit interview can never be undermined, as it helps the Manager to assess the reasons for resignation and identifying if at a future date he could be contacted for a position. This needs to be documented clearly for future use.
Laurie W\textsuperscript{15} believes getting rehired by a former employer is dependent highly on the relationships that the ex-employee has with the organization. If the employee had a good relationship with his Manager, chances are he may join back and even at a better role and salary. Hence the author advises that before one decides to leave, ensure that the relationship is improved as rehire in most cases is considered if the relationships were managed well during the prior experience.

If an ex-employee is considering rehire, it is important to share the updated profile with all contacts who can support the return, including HR. This will make it clear to the organization, intent to return and if the employee left on a good note, rehire will not be difficult. If the exit had to do with the bad relationship with the boss and one is contemplating rejoining, author advises that it is better to clear the air and appreciate the effort and seek his support acknowledging his contribution to the growth and development. This will support the rehire as most of the organizations would seek feedback again at the time of rehire.

It is also important to network with Managers under whom one has worked so that they can share positive firsthand information. Finally if one has left due to a Manager and subsequently the Manager has left, one can then try and rejoin. Many time employees leave due to poor Managers and they can be considered based on their potential, performance and attitude. Hence if one is considering rejoining, it is important to be aware of the developments through a strong network.
Claudio Fernández\textsuperscript{16} et all expresses that rehiring former high performers is a good idea and helps the organization to reach its goals without losing on time on manpower resources. Senior executives leaving the organization can be rehired at appropriate time based on availability of a role that fits the ex-employee.

It is important to define the role, expectations and deliverables, it is extremely important to share with the existing employees who may be desirous of the position. These senior rehires will be able to deliver at the earliest as the talent has been tested earlier but they will need some time to acclimatize with any changes that may have happened during their absence, and to get to know the employees that joined after his/her exit and also effort would be needed to rebond with the previous colleagues. It is critical for the success of the rehire, the effort that is needed from the organization to effectively reintegrate the rehire. A regular monitoring and interaction process will support the success of the rehire.

Ruth Mayhew\textsuperscript{17} impresses upon the need to have a formal rehire policy. It is important to have a rehire policy as changes in an organization are inevitable. When HR leadership and team changes in an organization, with them many times the information also becomes unavailable to the new team. This may make things difficult for an ex-employee, desiring to return to the organization.

A written policy helps as it can define the various scenarios under which an employee would be eligible to apply and be considered for a rehire.
Author further discusses various scenarios under which an employee left and its impact on the decision to rehire. Involuntary resignation due to non-adherence to office timings and due to performance gaps will not make a person ineligible to apply.

Effort will however be needed for the ex-employee to convince the organization that the causes for late coming have been addressed and the performance consideration is normally done on a case to case basis. Employees terminated due to non-adherence to organizational core values and due to unethical and unacceptable behavior are not eligible for rehire.

Sometimes an employee may be asked to leave due to organizational decisions arising out of certain economic compulsions, changes in the economic condition, delays in project start, order delays and the like. In such cases the employee is at no fault and can definitely be considered for rehire. It may also be prudent to define the conditions under which an employee can be considered for continuity of seniority and suggests that if the tenure of prior employment is higher than the tenure of absence, ex-employee can be given credit for the previous service.

In another article by the same author, it is highlighted that before initiating the rehire process it is better to validate the same with HR. It is important to go through the personnel file of the ex-employee. This will give important insights into the various incidents, his progress and performance during the earlier tenure. This will help to check on any
unacceptable behavior exhibited while in service, during exit which can cause some alarm bells to ring.

Normally an ex-employee terminated for regular late coming can be considered for rehire after 90 days. A written policy should address the elapsed time consideration too. Organizations understand and acknowledge the benefits of rehiring, cost of hiring and training can be reduced appreciably through rehire as the rehire candidate is well versed with the organizational policies, practices, culture and expectations thus can start contributing faster. It is also important to follow the detailed selection process as one would follow for other candidates even in case of rehire. This would ensure that the offer is made based on the selection process followed by the organization, leaving no scope for objection during audit and other stake holders.

Hema Ravichandar\textsuperscript{19} in an article “Return of the prodigal : Rehiring of ex-employees”, lists various Do’s for the success of rehire. There is no doubt that the rehires come with good understanding of the organization helping them to perform. However, the organization needs to have a strategy for assimilating the boomerang employee. According to the writer if the assimilation is not handled well “hiring miracles” can become “hiring mortality” in a short period of time. It is important to move forward and not carry any unresolved issues, disputes from previous tenure when one rejoins. The organization must through senior leadership clearly communicate its agenda for support to the boomerang and clear any obstacles. It is also important to let the rehire candidate know that things
and scenarios have changed from the time of his/her exit. Reporting structure, power centres, organizational expectations may all have changed and it will be important to modify one’s working style suitably to ensure that we do not end up with square pegs in round holes!

It is equally important to address any concerns that employees may have with regards to the rehire, especially when an existing employee could meet the requirement. Organizations may also take a direct stand to communicate to the employees and organize a meeting even before on boarding of the rehire, this helps the employees to understand the reasons for bringing back an employee who had left the organization earlier.

A rehire may in a distress take up the assignment at a particular position, compensation but over a period of time may end up unhappy. Alternately the organization, in desperation may offer a much higher salary and position to the ex-employee which may lead to huge dissatisfaction amongst the existing employees. Hence it is important to make an after due consideration of all aspects.

A boomerang employee is also entitled to an induction program, however, the same can be modified suitably to ensure those aspects that have changed after the earlier assignment are covered, rather than the detailed induction as done for a new hire. Senior leadership may directly take the boomerang employee directly under his/her mentorship to personally monitor and support the boomerang employee. The author maintains that these guidelines will help in the success of the boomerang program.
Jessica Miller\textsuperscript{20} observes that the loss the organizations had while laying off their employees during downturn has had more impact than just the layoff. This results in a very negative impact on employee motivation and productivity. When economy improves and there is a need to recruit, the after effects of lay off are still felt. Even the employees that the organization retained are wooed by competition with offers. Hence the talent acquisition issue becomes more challenging.

An employee can be considered for rehire and this will help the organization to boost productivity. Boomerang hiring has been existent in sports since long and is now effectively used in corporate set ups. Former Starbucks CEO, Howard Schultz is an example of successful boomerang at the senior level, he took over the responsibility of Starbucks and sales have been on the increase since his return. Similar examples are also seen in the television industry.

The author emphasizes need to ensure that the organization has a pipeline of identified candidates who can be called back and is in communication with them through various means so that they are abreast of the developments and can be considered for rehire, as needed.

Judy Feuerherm\textsuperscript{21} shares that the employers are now open to rehiring former employees. In the article she shares data that shows that 9 out 10 employers are willing to rehire the former employees citing various benefits. Ex-employees are well versed with the organization culture and are familiar with the work environment, expectations from the job and a
rehire also reduces error in hiring judgment, as one is well aware of the individual through performance in the previous stint with the organization. When an employee has been laid off due to market economies, he also becomes the preferred choice when the economy improves and it the layoff happened in a smooth manner.

Challenges of talent acquisition are a reality today and it is important that the organizations work in a planned and strategic manner to build the pipeline to meet the organizational requirement. Hiring in desperation during crisis is always not the best of the ways to hire. Further for rehire to be successful, it is important that the ex-employee goes through the selection process as followed for all candidates, set expectations clearly both ways and ensure a clear communication.

Sometimes it may be better to consider the rehire on a part time basis which will help in the organization reaping benefits of the quick results as compared to a new candidate. It may also be noted that a rehire is looking at opportunities for career development, work-life balance and other benefits which prompted him to reconsider joining, however, if the same are not in line, he will still look for opportunities outside.

Mark Swartz\textsuperscript{22} states that rehiring your former employees is a common practice in seasonal markets. The author further lists down scenarios when organizations can consider boomerang hiring and when it is avoidable. Boomerangs come with the advantage of being well versed with the culture of organization and need minimal training. A boomerang
employee can also be very positive, loyal and productive helping the organization achieve its results. They will be happy and considerate for the organizations decision to take them back. A high performing rehire also ensures that he is away from the premises of the competition.

A rehire need not be considered if the employee left with anger, dissatisfaction and if these thoughts still linger. Further if an employee left due to unacceptable behaviors like insubordination, theft etc, the company must steer away from considering such candidates for rehire. It is also very important to assess the impact of rehire on existing employees, sometimes if the rehired candidate rejoins at a higher level and salary, the existing employees may consider this as a signal and assume that the way to grow is through resignation and rejoin, if possible.

Rehiring process starts with the exit interview process and any data that can be collected before taking the candidate for the next levels of selection. A rehiring policy is important as it can define the conditions under which one can consider an ex-employee for rehire and also when it needs to be avoided. Rehire policy should define the eligibility and not suitable for rehire criteria. Employees that left without giving the desired notice also need to be avoided as they are likely to do the same again, keeping only their interest in mind. Rehire policy should be vetted by the legal team so that they can protect the interest of the organization and address gaps, if any.
Retention Success - Engaging and keeping the best talent for today and tomorrow²³

Cost of recruitment involves hiring agencies to help you identify a suitable candidate, advertising, participating in various job fairs, assessing various sources, reference checks, interviewing candidates, induction, training to name a few. The indirect impact is felt on the productivity, employee morale, customer dissatisfaction, communication efforts to name a few. These costs can be huge. Hence it is important to focus on retention efforts. A good manager is able to assess an impending turnover by simple observation in behavior and can put efforts needed to retain the employee.

Further, an organization can strengthen its brand to enter the league of “Best Places to Work”. These organizations will have very robust and people friendly HR practices, starting from the interview to retain, induction, training, work environment and culture to promote employee retention. Employee engagement efforts by organizations focus on capturing employee satisfaction and also motivating employees to deliver more than expected. Exit interviews are done in a focused, capturing every detail and use the feedback effectively for improving any process gaps. This article further examines the retention methodology that works for different generation types, It also emphasizes the need to build recognition programs to reward and recognize the performers.
It may be noted that many organizations start retention programs only when turnover becomes an issue. This may be a bit too late, considering the cost in hiring in view of the manpower crunch especially when availability of desired skills is a challenge. Hence these initiatives should be ongoing and proactive.

Annual survey report 2007 - Recruitment, retention and turnover^24 done in UK captures the strategies used by various organizations for recruitment. It is evident from the findings that most of the organizations have a formal resourcing strategy and the main objective of the resourcing team is to identify suitable candidates for the various positions. Candidates with the necessary skills, experience level also have higher salary expectations, impacting the budgets. Organizations, many times, recruit candidates who may not have the skills needed to deliver for immediate requirement but with training can meet the requirement. Training thus becomes an important component of the recruitment success cycle. Average time to fill a vacancy is on the rise and this has an impact to the organization – in terms of overtime payouts, burn out by existing staff, customer service levels.

Corporate websites have been used successfully to attract talent. Recruiting agencies continue to be one of main sources for identifying candidates. However, it is preferred to do direct recruitment, avoiding agency cost and also avoiding dilution of the company brand. Stringent methods need to be employed to measure the performance of the agency. Parameters that can be used to measure this could include quality of
candidates, time taken for sourcing, briefing given to the candidates, ratio on number of positions to number of closures, feedback from the recruiting team. Organizations must take into consideration various factors before finalizing with an agency, as recruitment is an important function and no compromise can be made.

Employee retention challenges faced by the companies are on the rise. The same is being addressed through continuous efforts on learning and development opportunities, improving the induction and selection process, to name a few. Employer brand has an impact in both attracting and retaining talent. Company culture, mission, values, rewards and recognition, career development, growth, work life balance, CSR initiatives all make for the brand and its role in every aspect of an organization’s success cannot be ignored.

Exit interviews are popularly used to capture reasons for an individual’s resignation. Change of career, promotion opportunity outside the organization, pay, lack of support from Managers, family reasons, level of work hours and workload are some of the reasons for which employees leave. Further, a high percentage 19% of employees leave within six months of joining which needs to be reviewed and addressed. Induction program helps in addressing some of concerns and in expectation management.

A survey conducted by Shine.com and Absolutdata brings out some interesting findings. The survey covered 350 HR Managers and about
1200 employees. HR managers shared that the biggest challenge faced by them is talent acquisition and employee engagement. 60% of the employees also shared that they did not have plans to continue in their existing organization and plan to leave in less than a year. This clearly explains the predicament faced by the HR Managers and the organizations.

Many organizations end up delaying or reducing recruitment at senior levels. Another task that they have on hand is to continually strive to plan initiatives for employee retention. The survey also pointed out gaps between HR Managers plans for retention and employees perception of the same, thus indicating that some of these initiatives may not be relevant or meeting the expectations of the employees. HR needs to work closely with the employees to address the gaps between perception and reality, to drive the business results. The survey sums up the challenges faced by HR where more than 50% challenge is in the area of talent acquisition and employee engagement.

Cost Per Hire (CPH):

Talent Acquisition Factbook26 brings to the forefront the challenges faced by the recruiting managers – fluctuating economic conditions have led to sudden spurts in recruitment and layoffs, higher attrition rates due to employee turnover and shortage of skilled manpower. Based on the online survey conducted, Talent Acquisition Benchmarking Metrics are categorized under staffing, spending, productivity and quality metrics.
Spending would measure parameters like cost per hire, year on year (Y0Y) spending for different sources. Staffing includes staffing per 100 new hires and Y0Y headcount. Recruiters productivity would capture parameters like time taken to hire, number of open positions and quality could be measured by the new hire turnover. This would help to measure the performance of the recruiters and the recruitment function which is a critical function.

Cost per hire has increased year on year and most of this amount is spent on recruitment through agencies. Companies also focus on identifying internal talent for key positions. In this study conducted by Bersin and Associates, it was found that a company with more than 10,000 employees spend approximately $1,900/- per employee to hire a new employee as compared to $3,600/- per employee for a mid sized company and $3,660/- per employee for a small company. It was also found that on an average it costs $2,500/- per employee for a new hire.

In order calculate the cost of hire, Bersin and Associates surveyed 414 companies and the cost of hire is the sum total of various costs like internal recruitment staff, third party agencies, company career websites, cost of applications tracking software, job listing services, campus recruitment cost, employee referral programs and other recurring expenses. The total cost is then divided by the total number of new employees hired over a period of one year will give cost per hire.
According to Annie Mueller\textsuperscript{27}, the cost of finding the right person to hire can be hefty. According to her most of the cost strapped business hesitate to start hiring due to this exorbitant cost of hiring a new employee, even though they need to hire employees due to business requirements.

According to her even an employee costing Rs $ 8/hour can also cost a company around $3,500/- (both direct as well as indirect) for hiring such an employees. Recruitment cost of a new employee is the first of several cost elements that a company incurs in recruiting new employees. Once a right candidate is hired, the company needs to provide adequate training to the new employees so that he/she can start producing the results and provide right amount of productivity.

In a report from training magazine in 2007, employers spent on an average $ 1,200/- in training employees annually. In 2005, employees spent on an average 32 hours of training per year for each employee.

The American Society for Training and Development\textsuperscript{28} estimated the “average annual learning expenditure per employee” in 2008 to be $1,068 per employee. This Charture includes internal costs, the cost of outsourced services and tuition reimbursement, which were 65.3 percent, 22.6 percent and 12.2 percent, respectively, of the costs in 2008. The average percentage of total annual payroll for these learning expenditures was 2.31 percent in 2003 and 2.24 percent in 2008.

Based on the above it can be noted that companies spent nearly $ 3,500/- per new hire in recruiting and training so that these employees start
delivering on the job. In addition, every new employee is provided to orient themselves to the new environment and the organization culture so that they can deliver effectively. This period is also used by the new employees in getting to meet and know the people with whom they would be working in the organization. The first month salary of the newly hired employee is also considered to be the cost of hiring.

Hence, in USA, in total every company approximately spend nearly $8,500/- for every employee newly hired before he/she starts delivering to the organization.

According to another survey conducted by Bersin and Associates\(^{29}\), it was found that on an average every company in UK spends nearly £5,311/- per newly hired employee plus one month salary before he or she starts delivering to the organization.

In addition to recruitment cost and training cost, every organization provides time to newly hired employees time to get acclimatized to the new organizational culture and environment. This time is very vital to get to know the people at various levels and understand the superiors, peers and subordinates with he or she is going to work. This period varies from company to company and from role to role and for fresh or experienced employees. However, on an average this varies between 15 days to one month. Hence, one month’s salary can be safely assumed to be the cost of orientation for the newly hired employee.
If all the above cost, the cost of recruitment, the cost of training and the cost of orientation the total cost of hiring a new employee is reported to be as high as $12,000/- per newly hired employee in US and the same is reported to be £ 8,311/- in UK.

In an era of challenges faced by HR managers globally on talent acquisition, it is important to define and understand certain matrix that help an organization to understand the tangible and intangible costs of hiring. Alan Davis\textsuperscript{30} points out the efforts and challenges to arrive at the matrix to arrive at cost per hire. Different companies use different yardsticks to calculate cost per hire, making it difficult to do any comparative analysis. At best, one can measure cost per hire internally as within the same organization, same criteria are used.

Other important matrix that is applicable to measure success of hiring could be time taken to hire, which would vary from position to position, in the same organization. Author points out that there are other unconventional metrics that can be used like “cost of not hiring” – this may be tough to calculate but has an impact on the organization’s service delivery, delays in delivery of outcomes, resignation by team members due to lack of guidance and support. Quality of hire is another metrics that can be used. This again may be difficult to calculate but easier to act upon, at times. If the hired candidates does not meet the requirement, one can always decide to let go of the employee, as supported by the company policy. Managers need to focus on talent acquisition to help organizations
grow. Considering the criticality, it is important to define certain metrics for assessing the performance of hiring function.

The Cost of Employee Turnover Due to failed diversity initiatives in the Workplace - The Corporate Leavers Survey 2007

Workplace diversity is a reality in developing economies and organizations must take necessary initiatives to ensure that the work environment is conducive and supports its employees to perform. A study conducted in US on the cost of employee turnover due to failed diversity initiatives in the workplace draws attention to the importance of managing the diverse workforce. Organizations incur huge cost in recruitment and there are costs that are attached to cost of unfairness that an employee experiences in the organization.

They surely do not recommend candidates to take up a job in the organization if they have experienced unfairness. They also do not recommend the organization’s products or services which also has a business impact. Unfairness due to public humiliation, being called names like terrorist, targeting an individual, group, community for jokes, being bullied, being passed over for a promotion have a direct impact on attrition and the organization pays a huge cost for it. It is the everyday behaviors that determine the health of work environment and organizations and Managers must be sensitive to this requirement.
The changing economic scenarios have changed the equation between the employer and employee forever. As noted by Lynn Ware and Bruce Fern\textsuperscript{32} the expectations from the employee and employers have changed. In the tough competitive environment, the customers are looking at positive differentiators for all the services that they avail. Thus we can say the services have been commoditized hence it can be available from various providers. The differentiators and innovations are driven by an organization's talent pool and it is important to retain your top talent.

Cost of attrition can only be estimated and not calculated. Employee desiring to leave contributes less than expected during the period he is assessing other opportunities, additional obvious cost is the cost of vacant position and the loss of customers that he may move with to his new organization.

It is further noted that when the organization follows the traditional exit interview formats to capture the reasons for attrition, they may not get a true picture. An employee during exit may indicate better compensation as the reason but may not share the correct reason, thereby sharing positive consideration at the new organization rather than the actual reason. It is difficult to assess as to at what point your performing employee started paying attention to requirements outside. Since the reasons may not be captured correctly, the actions taken post the analysis will not yield the desired solution.
Most managers lament the loss of their talent pool but fail to acknowledge the role they could have played to retain the candidate. Another startling data that came up was that most managers think of retention only when an employee comes with resignation. Many managers hide under the mask of attrition is inevitable.

For an organization to continue on its growth path, it is important to have well defined and implemented retention strategies, especially to ensure retention of your key performing resources.

Dr Jaideep Kaur\textsuperscript{33} attempts to check if any correlation exists between e-recruitment and attrition. In today’s era of World Wide Web and the revolution that it has generated in every facet of life, the topic is very relevant. Organizations on one hand are striving to retain talent and at the same time they cannot restrict their employees on posting their profiles on job portals. At the same time, internet based recruitment quickest ways to connect with the interested candidates. Candidates have the convenience of applying online, updating the profile, filling up the company based application. They also continue to check for opportunities that suit their profile and capture their interest. E-recruitment hastens the recruitment process though may sometimes lead to a mis-match leading to early resignation after joining. Hypothesis that there is significant relationship between e-recruitment and attrition was proved true. Thus e-
recruitment plays a key role in the increased attrition that is witnessed by the organizations.

Attrition:

Attrition is defined as the drop in employee strength in a company through retirement and resignation. This is natural in any business and industry. Whenever attrition of employees happens in a knowledge industry, the company loses the valuable knowledge. If the attrition is higher than normal, the company has to spend a lot on hiring new employees and training them. This can directly result in fall in the company revenues and the profit margins.

According to a study conducted by MyHiringClub.com\textsuperscript{34}, the IT and ITES sectors witnessed the maximum attrition rate of 23 per cent in the first quarter of 2010-11. As against to it, the banking and financial services sector experienced an attrition rate of 18 per cent, followed by healthcare (12 per cent), FMCG (11 per cent) and automobiles and manufacturing (11 per cent).

Some of the main reasons for this attrition has been due to higher pay packages (21 per cent), followed by career level growth (16 per cent), dissatisfaction with supervisors (15 per cent) and work pressure (14 per cent). Employees with experience of up to five years had the highest attrition rate of 39 per cent, while it was 27 per cent for those with 5-10 years of experience and 22 per cent in the 10-15 years' experience bracket.
Interestingly, senior-level employees (experience more than 15 years) had a very low attrition rate of 15 per cent.

According to human resource experts, the average attrition rate is projected to grow at 31% in Indian firms in the April-June quarter of 2012-13, a rise of 9-10% from the preceding quarter (January-March) of 2012-13. In the April-June quarter of 2011-12, the average attrition rate was 27%.

According Rishi Raman of Ripples Consultancy Services the attrition rates will be high and the rate would be around 30-31% during the first quarter of 2012. Experts said that attrition would be in double digits in the entire sector. It would be highest in the IT/ITeS sector at 31%, followed by telecom (26%), banking and financial services (23%), aviation and hospitality (22%), real estate (15%), FMCG (21%), automobile and manufacturing (19%).

Anubha Bharghava says that the employees who leave their organizations can be classified into three categories:

Early leavers

Employees who leave the organisation within a year of joining and they constitute around 23% of the leavers in IT industry. This leads to an increase in training and recruitment costs because the managers have to continually train new recruits. The company needs to understand that early leavers would generally comprise of Gen Y who mainly switch jobs in search for their ideal role. At this level, a concrete induction course
highlighting on “What is in store for the ME?” aspect would help in retaining employees for a longer tenure and thereby reducing undue anxiety. A huge chunk of people forming Early leavers leave in order to pursue higher education. The company can mitigate this by going for tie-ups with Universities in India and abroad to provide professional as well as certification courses.

Top Performers

These are the employees who quit after getting best performance evaluation and they form the major part (45%) of leavers. Their loss impacts the company in a great way because they are mainly responsible for the growth of the company. The company needs to implement a strong career development plan for them to keep them engaged in the organisation.

Universal Leaders

They comprise of about 32% of leavers and form the core of the company responsible for sustenance and daily operations. The company must ensure that it maintains cordial relations with them, leverage their expertise for mentoring the younger workforce and home in on them if they wish to come back
Mr. P.P.Kumavat makes a strong case for rehiring former employees and advocates such hiring as a means for filling the talent gap in organizations.

The author explores reasons for why employees leave an organization – classifying reasons into poor managerial support, lack of alignment with company values and for better prospects outside (which the author argues may or may not be true in actual experience).

The author then lists the advantages of rehiring former employees. He emphasizes that the cost of recruitment falls because no external hiring agency is involved here. Also, since the employee is familiar with the organization, trustworthiness is inbuilt and there is minimal cost of training and development. Also, since the employee has explored the
external work opportunities and chooses to return to a former employer, the new psychological contract between the employee and the employer is stronger and more long term in nature.

The author points out, however that, rehiring has its demerits. If the skill set of the former employee has become obsolete, he may not be employable for the firm. Also rehires should be open minded about accepting a new work culture (because work practices in the organization may have changed considerably over time).

The author concludes by saying that for successful rehiring, the organization must be proactive in maintaining communication with former employees and should keep them posted about emerging work opportunities within the organization.

The study conducted by Bhattacharya\textsuperscript{38}, S presents the economic reality for Corporate India and makes a case for Rehiring as an effective tool for manpower acquisition. The author says that tight economic conditions facing Corporate India have forced organizations to cut frills and manage costs better. Cost reduction is being emphasized at every step of the value-creation chain. Manpower acquisition is a potential area where recruitment costs can be slashed if we consider rehiring skilled employees.

The author argues that rehires however, must be willing to be cross trained and adapt quickly to the changing environment. Quoting E. Balaji, Chief Executive Officer, MaFoi Management Consultants, the author says
“emphasis has to be paid on getting the right staff. This is because getting rid of key people in a bad market will be double whammy.”

Sukanya Ghosh explores the adoption of Rehiring as a tool for manpower acquisition by corporate houses. The author cites a number of live examples of the adoption of this practice globally and in India.

The author quotes Shrikatan Moorty, Senior VR, HR at Infosys, who says that rehiring works well for the organization as well as the employee because of the cultural match. “We had a time-bound initiative called green channel hiring which was aimed at hiring former employees. A regular source of profiles is our Infosys Global Alumni Network, through which our former employees express their interest to join us again. In our experience, Boomerang is also a high return on investment, and re-hires also tend to have longer tenures upon their return. This also boosts our retention efforts” says Moorty.

The author cites the case of Boomerang Hirings at Yahoo. Yahoo keeps a tab on how the brand is resonating with the alumni. The company keeps the alumni posted on the company’s latest ventures, projects, and job openings. The company actively creates several engagement forums to connect with the alumni. Boomerangs constitute 12% of the total hiring by the company.

**Corporate Alumni Program:**

In a presentation, Xing emphasize that Human Resource Management is an effort on the part of managers to acquire, employ, retain and motivate
employees. Each of these objectives is supported by strategies and programmes that balance the needs of the organization to business and economic realities. With changes in the economic, technological and social environment, the strategies and programs to achieve HR objectives have to change. Corporate Alumni Programs is one such programme that has now captured the imagination of successful business houses in a bid to acquire productive and willing workforce.

The paper refers to Corporate Alumni as the pool of employees who are no longer in employment with the organization. For many years, recognition of the advantages of alumni networks was restricted to educational institutions and professional services firm. The “War for Talent” has encouraged many companies across all sectors to develop their pool of alumni into an employable resource.

The paper delves into some reasons why Corporate Alumni Programmes have become so important now. In my assessment, the key reasons for the success of this programme can be attributed to four causes - the emergence of information technology as a business facilitator, the flexible work and business environment, the need for sustainable competitive advantage and the emergence of a culture of trust among people.

Madeline Laurango emphasises two aspects of Rehiring- why the organization should consider an alumni programme and how Technology can be leveraged to gain benefits from Rehiring.
The Author argues that the most significant advantage is of Rehiring programmes for Corporates is that they help in Employer Branding. For many industries, employees are also clients and customers. Employees talk about their experiences at work and this creates employer branding. The success of the Rehire Programmes speaks volumes for the credibility of the organization as a place to work.

In the article, that author gives illustrations of how organizations are leveraging technology to create successful Rehiring programmes. Some organizations have created dedicated websites for their alumni. These sites post information on events, employee referral programmes, provide collaboration, and in the case of McDonalds, even provide coupons to former employees. Some Organizations, such as Deloitte and Salesforce, have created employer-driven linkedIn groups for their alumni. Ernst and Young invite alumni to participate in their impressive Facebook Page. According to the author, Innovation is the key theme in talent management technology today. A number of companies including Social Text, Zapoint, Jobs2web offer capabilities to support alumni programmes.

The author advises Organizations to take a closer look at both their existing technology and innovative solutions to see how they can strengthen their alumni programmes.
Referral Hiring:

Ankita Rai states that “If your corporation is not getting close to 30 per cent of its hires from employee referrals, it may be time to restructure the recruiting function”. HR Managers need to work on innovative ways to deliver results that are more cost effective and provide higher productivity and efficiencies. Referral hire is considered as low cost-high impact recruitment solution. Referral recruitment is not just cost effective, it also has better results – retention rate for hires through referral program is significantly higher when compared to direct hires. HR departments incur high cost for recruitment through agencies this can come down appreciably by adopting a good referral program.

Referral programs fail mainly due to bad design and execution. It may also be noted that a positive correlation exists between highly engaged employees and the number of referral recruitments in the organization. If the experience that employee has is the organization is “wow” only then will s/he speak about it to friends and family who may then indicate interest in joining. Different organizations have different incentivizing plans for the employee referring – it could be monetary, recognition, reflection in KPI or even promotion, depending on the referral provided and number of employees referred. Organizations are using innovative ways to manage their referral programs in an era of social networking. Linkedin, Naukri, RoundOne, Whistletalk are some of the popular sites that are used for referral hiring.
In conclusion, it may be noted that referral hiring can bring down the cost of hiring by 50-75\% across levels and a strong HR foundation is a prerequisite for a successful referral program. To design a good referral program, HR must interact with external and internal stakeholders and design one that suits the organization.

**Statement of the problem:**

Based on the extensive literature survey, one of the major problems faced by human resources managers today is to acquire talent at reduced cost and retain the talent so that the attrition rates would be reduced significantly. Several strategies have been employed to combat this situation by the human resources managers. In response to this problem, this research study proposes to investigate how the strategy of reemploying the former employees would help the human resources managers in resolving this problem.

With more and more organizations hiring the former employees it is important to know as to what are the trends and effectiveness of rehiring the former employees that is prevalent in their organization. There is a need to understand the attrition and retention rate of former employees as compared to that of the new employees.

There is also a need to understand the various other issues that are related to rehiring the former employees as perceived by the human resources managers and the rehired former employees.
Scope of the Study:

The current study tries to analyze the trends in reemployment of former employees. The approach of the study has been from the point of view making this process a formal one to make it most effective and efficient in attracting the former talent and retain the talent for the benefit of the company.

Considering the enormity of study, the current study focuses on reemployment in service sectors like Banking and Healthcare industries that are operating in Bangalore and Kolkata, which utilizes the knowledge workers. The public sector banks and the government healthcare sector has been kept outside the scope since the public sector units do not face the same challenge of employee attrition that private sector companies face.

Objectives of the Study:

The proposed study attempts to elicit the necessary information with the following objectives:-

1. To analyze the trends in reemployment of former employees in Indian industries
2. To analyze the benefits of employing the former employees.
3. To examine the importance of rehiring policy for talent acquisition and retention.
4. To evaluate the strategies to be adopted by human resources managers to attract former employees.

5. To study the hard and soft issues related to rehiring of former employees.

**Hypothesis:**

1. There is no correlation between number of employment offers made to new candidates as well as the former employees with the period of hiring.

2. There is no correlation between number of employment offers made to new candidates with the offers made to former employees.

3. There is no correlation between number of employment offers made to new candidates as well as with the former employees with the number of acceptance.

4. There are no significant benefits of hiring the former employees compared to the new hires.

5. Rehiring does not significantly help in improving the talent acquisition and retention strategy for the organizations.

6. While most of the companies do rehiring of former employees, they do not follow any formal process or policy for rehiring the former employees, and

7. Most of the companies do not follow any specific strategies to attract the former employees.
Methodology of Study:

The current study is objective in nature and employs “survey method”. The survey area covers the banking & finance and health care companies in the private sector in Bangalore and Kolkata. The study employs both primary and secondary data in its analysis.

The study basically is empirical in nature covering various aspects of reemploying the former employees. For primary data, survey method was employed through three types of questionnaires. To accomplish the objectives of the study, questionnaire techniques as well as personal interview was adopted to collect primary data.

Descriptive research was involved in collecting the secondary data which included the annual reports of RBI, the published articles, books and related research work.

Reference Period:

The reference period for the study for the primary data was from 2009 till 2013 and for the purpose of secondary data the reference period was from the year 2000.

Sampling Frame:

The phenomena of reemployment occur across the country across all the industry segments. However, for the current study the researcher has chosen only the knowledge sector comprising of Banking & Finance and Healthcare companies since it is in these companies the challenge of talent
acquisition and retention is most challenging and the strategy of reemploying could be very rewarding.

**Sampling Size:**

Based on the RBI data on the number of employees in the private sector Banks & Finance industry and the data available on the ratio of human resources managers to the total number of employees, it has been estimated that a population of about 300 human resources managers in the Banking and Finance sectors and about 200 human resources managers belonging to Healthcare sector in Bangalore and Kolkata. Hence the researcher has chosen a sample of thirty human resources managers from banking sector and a sample size of 20 human resources managers from Healthcare sector which forms 10% of the population.

Since the data regarding the population size of rehired employees is not available, the researcher has selected a sample size of one hundred rehired former employees from Banking & Finance and Healthcare sector considering the time available for the data collection for this research.

**Sampling Technique:**

The researcher has used stratified convenient random sampling technique in selecting the sample for collecting the data. Sampling units have been chosen from Banking & Finance and Healthcare sector.

The researcher has chosen interview technique to collect the data required by administering questionnaire I from the head of human resources from
various companies in the chosen sector. With his assistance, the researcher has administered the questionnaire II and questionnaire III to the human resources managers and the rehired employees respectively in the chosen company.

**Tools Employed in Data Collection:**

Questionnaire technique was used for collecting primary data. Three different questionnaires were designed for the purpose.

- Questionnaire I was designed for the employers to be filled in by the Head of human resources department of the respective organization that was pertaining to trends of employment in their organization.
- Questionnaire II was designed for the human resources managers for collecting their views on rehiring or reemploying the former employees.
- Questionnaire III was designed for the former employees in these organizations for collecting their views on rehiring or reemploying the former employees.

Personal visits were made to meet the heads of the human resources departments of different companies belonging to Banking & Finance and Healthcare companies, after seeking prior appointment.

The researcher has also, made presentations regarding the study for several heads of the human resources executives at couple of the summits.
and got the appointments of such executives for the purpose of collecting the primary data.

The questionnaire I was filled through interviewing the Head human resources management and the remaining two questionnaires were administered, with the help of the head HR, the human resources managers working in his department as well as to the employees who were rehired in his organization.

**Tools Employed in Data Analysis:**

Descriptive cum Tabular analysis, averages, standard deviation proportions and correlation analysis are some of the statistical tools and techniques used in the study.

**Limitations of the study:**

- The study was limited to Banking & Finance and Healthcare industry in private sector.
- Only human resource managers and rehired employees in the above industry was considered for data collection.
- The employees who left the organization with bad feeling and who are not willing to come back were not part of the study.
- Sectoral analysis and comparisons of the results between sectors within service industry was not considered as part of the study.
- The effect of the size and the life span of the organization on rehiring is not part of the scope of this study.
Future Scope of Work:

• The study was limited to Healthcare and Banking & Finance industry. Study of rehiring in Education, Consulting Firms, R&D depts, IT/ITES is required to get greater understanding on the subject.

• Sector wise analysis of rehiring across various verticals to make a comparison among different verticals.

• Analyze in detail the performance of reemployed employees before and after reemployment.

• Study the Effect of size of the organization and the tenure of the organization on reemploying.

• The study was limited to reemploying employees who have come back to their previous organization. However, it is important to find out the views of those who left the organization and are not willing to come back.

• A detailed study on the effectiveness of reemploying/rehiring with reference to size of the organization

• The comparison of attrition and retention within the same age group of rehires and the new hires need a greater in depth study

• A detailed study with reference to cost savings that is resulted due to rehiring is required to be carried.
Chapter Scheme:

The research work would be organized into following Chapters:

Chapter 1

Introduction: This chapter deals with emergence of human resources management and the challenges of talent acquisition and retention in the knowledge industry. This will also deal with the strategy of rehiring former employees to reduce the cost of talent acquisition and increase in retention rate.

Chapter 2

Review of Literature and Research Design: This chapter describes the studies conducted by other researchers in the field of rehiring former employees. This chapter also explains the detailed methodology and procedures employed to conduct this research work. It also highlights the data collection methods and statistical analysis plan applied for the study.

Chapter 3

Trends and Effectiveness of reemploying the former employees: This chapter provides the detailed analysis regarding the trends of hiring the new employee vis-à-vis the former employees. This chapter also deals with the attrition rates and retention of the new employee vis-à-vis the former employees.
Chapter 4

Analysis of Data from the Human Resources Managers: This chapter contains the detailed analysis of research data collected from the human resources managers represented in the form of table, diagrams and explanations with the help of appropriate statistical tools.

Chapter 5

Analysis Data from the former employees: This chapter contains the detailed analysis of research data collected from the former employees represented in the form of table, diagrams and explanations with the help of appropriate statistical tools.

Chapter 6

Findings and Recommendations: This chapter contains the findings and recommendations for the benefits of the practicing human resources managers, based on the data analysis carried out in the research work.  

Bibliography: This section consists of the list of body of knowledge referenced during the course of the research.

Annexure 1: Questionnaires executed to collect the relevant data would be enclosed in the section.

Annexure 2: In this section, the published articles of the research work would be annexed to the thesis.
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