CHAPTER 2

THEORETICAL BACKGROUND

To analyse the changes in the Human Resource Management (HRM), importance and nature of recruitment in HRM, Human Resource Supply Chain Management (HRSCM) and e-recruitment, a comprehensive review was undertaken in these areas. In order to develop a conceptual understanding of the said topics an existing body of knowledge was reviewed. An overview of the same is presented in ensuing sections of this chapter.

2.1 HUMAN RESOURCE MANAGEMENT AND IMPORTANCE OF RECRUITMENT IN HRM

Once HR department was considered as “mechanical” agents, helping the organization to hire and fire (and possibly train) employees. The HR department was an administrative necessity; but little more. Over the last 20 years, the importance of highly skilled, well-motivated, flexible workforce has become clear. HR departments are now expected to “add value” to the organization not simply incur cost.

Today’s HR professionals need to be more dynamic then simply an expert on personnel issues. He/she also needs to be informed and skilled business person since HR professionals must play a key role in helping their organization remain competitive in the market place.

Human resource management has to change as the business environment changes. It has to do this as a mixture of responding to changes in that environment, predicting such changes and making proactive decisions about the nature of HRM. The future is unpredictable and it is hard to determine what it will bring. It is important to be flexible and to acquire as much knowledge as possible to help cope with these uncertainties. Human resource managers need to synthesize issues relating to their
core personnel functions with the general economic and business issues, whilst remaining in touch with technological developments. Successful HR managers and departments have a significant strategic impact on their organizations.

It is given that organizations must expect to constantly review and update their technology. Technology is one particular manifestation of change. All change is difficult and HR departments must consider themselves as an agent of change. In particular, with respect to technology, they must minimize resistance to new technology by ensuring that employees are provided with the necessary training and support processes to be able to cope with the change.

The internet and the internet-enabled software is a particular aspect of technology of concern to HRM professionals as it can change ways in which employees relate to the organization. HR professionals need to use their sense of commitment, interpersonal skills and training to help make their company a success. The environment of constant change means that they must pay particular attention to cultivating competencies in communications and decision-making skills. They must be able to present the vision of their company clearly. Within this they must also have a clear and functional perception of the operational management needs. They need to examine and review existing procedures to ensure that improved solutions can be designed and built. They need to emphasize the importance of continuous progress and managing change through goal setting. And, finally, they must ensure that the resulting organization is populated and driven by empowered employees.

Psychological tests and assessment instruments that tap prospective employees' personality, interpersonal style, and response to stress situations have received increased attention from both human resource professionals and researchers in I/O psychology over the past 20 years (e.g., Gatewood & Feild, 1998; Ryan & Sackett, 1987). Indeed, the nexus between personality factors and personnel selection and placement has spawned major investigatory efforts, conceptual reformulations, and pragmatic applications in both research and practice (Roberts and Hogan, 2001; Landy, et al., 1997).
Although the term recruitment is commonly used, it is not easy to define (Barber, 1998 b: 5-6). The definition offered by Barber follows that: "Human Resource Recruiting includes those practices and activities carried on by the organization with the primary purpose of identifying and attracting potential employees" (p. 5).

Breaugh (1992) stated that recruitment activities are designed to affect (1) the number of people who apply for vacancies, (2) the type of people who apply for them, and/or (3) the likelihood that those applying for vacancies will accept positions if offered.

The literature in recruitment, like other professional disciplines, is continually evolving and recognized. As stated by various authors, recruitment plays an important role in assuring organizational success presuming that the approach an organization takes to recruitment makes a difference (Barber, 1998; Grossman, 2000; Nakache, 1997; Pomeroy, 2000).

Flippo (1979) defined recruitment as a process of searching for perspective employees and stimulating them to apply for jobs. Barber (1998 c) had also defined recruitment as the process of locating and encouraging potential applicants to apply for existing or anticipated job openings.

The definition given by Rynes (1990) stated that “Recruitment encompasses all organizational practices and decisions that affect either the number, or types, of individuals who are willing to apply for, or to accept, a given vacancy” (p. 249).

According to Werther & Davis (1993) Recruitment is the process of attracting capable applicant for employment. The process begins when new recruits are sought and ends when the applications are submitted. The result is a pool of applicants from which new employees are selected.

Aswathappa (2005) has also pointed out that Recruitment process ends with the receipt of applications, in practice the activity extends to the screening of applications so as to eliminate those who are not qualified for the job.
According to Jyothi, Venkatesh, and Rao (2007) the recruitment process involves (1) employee planning and work analysis, (2) deciding on the number of vacancies and selecting a source, (3) advertising vacancies, (4) screening applicants, and (5) filling vacancies.

With human resources becoming central to business success, it is important for firms to ensure that they have the right talent in place for today as well as for the future. Thomas Jefferson’s enduring words quoted by Agarwala, (2007), ‘No duty the executive had to perform was so trying as to put the right person in the right place’, still hold true.

Where as Agarwala (2007) had defined Recruitment as the process of discovering potential candidates and of generating a pool of qualified applicants by encouraging qualified candidates to apply for actual or anticipated job vacancies within the organization. The objectives of the recruitment includes attracting potential candidates to the job opportunities in the firm, generating enough interest to encourage potential candidates to apply for the job, and also to project a favorable image of the company among those who come in contact with recruitment efforts.

Adding further, Mondy & Noe (2007) defined Recruitment as the process of attracting individuals on a timely basis, in sufficient numbers, and with appropriate qualifications, and encouraging them to apply for jobs within an organization.

According to Edward & Rees (2007), Recruitment involves identifying the needs of the company regarding the position to be filled, and attracting suitable candidates for the job.

Fisher, Schoenfeldt, & Shaw (2006 a) have presented an overview of the recruitment process from the perspectives of the organization and the candidate depicted in Figure 2.1.

Breaugh (2008), had also discussed about the model of the recruitment process cited from the chapter by Breaugh et al. (2008) depicted in Figure 2.2 which suggest that, before making decision concerning such issues as what recruitment methods to use, an organization should thoughtfully establish its recruitment objectives.
Olian and Rynes (1984) said that because of strategic difference among companies, the importance assigned to recruitment may differ. However, Kanfer, Wanberg and Kantrowitz (2001) had concluded that all companies have to make decisions in three areas of recruiting: (1) personal policies, which affect the kinds of jobs the company has to offer; (2) recruitment sources used to solicit applicants, which affect the kind of people who apply; and (3) the characteristics and behaviors of the recruiter. These in turn influence both the nature of the people applying for jobs in a way that shapes job choice decisions. The three areas are depicted in Figure 2.3.

**Figure 2.1:** The Recruitment Process *(Source: Fisher, Schoenfeldt, & Shaw, 2006)*

Rynes in 1991, identified that much recruitment research has focused on the effects of recruitment sources (e.g., Do individuals referred by current employees have a lower turnover rate than persons recruited via newspaper ads?), recruiters (e.g., Do recruiters who offer more information about a job make a better impression on job applicants?), and realistic job previews (e.g., Does providing accurate job information result in a higher level of job satisfaction for new employees?).
According to Stoops (1982) High-quality employees cannot be selected when better candidates do not know of job openings, are not interested in working for the company, and do not apply. Therefore Dale (2003) suggested that, displaying an advertisement in a suitable place is the main way to attract applicants for a vacant post. The recruitment process should inform qualified individuals about employment opportunities by appropriate source of recruitment. The appropriate place could be a job center, a newspaper or trade journal, a local shop, a board outside the head office building, or through internet.
Earnshaw et al. (1998) had indicated that poor recruitment and selection decisions are often blamed for subsequent disciplinary problems in small firms. As a consequence, a number of these firms stated that recruitment was now being undertaken with greater care to ensure they found the “right” person, and this included the widespread use of informal, word-of-mouth recruitment methods, and the hiring of “known quantities”.

Simcock (2008) also mentioned that companies are getting smarter about how they acquire talent. They made their recruitment operations more strategic by connecting internal and external recruitment activities with succession planning and performance management. They also re-examined how they balanced immediate needs and long-term goals, and how they apply people, processes and technology to acquire critical talent.

According to Barber, (1998); Breaugh (1992); Rynes, (1991), attraction (i.e. getting individuals to apply for or otherwise place their name under consideration for an organization’s positions) plays a critical role in recruitment and overall staffing effectiveness.
2.1.1 RECRUITMENT SOURCES

Recruitment sources are ‘the locations where qualified individuals can be found’ (Agarwala, 2007). Mondy and Neo (2007) also explained recruitment sources as various locations in which qualified individuals are sought as potential employees. Every organization has the option of choosing the candidates for its recruitment processes from two kinds of sources: internal and external sources. The sources within the organization itself (like transfer of employees from one department to other, promotions) to fill a position are known as the internal sources of recruitment. Recruitment candidates from all the other sources (like outsourcing agencies etc.) are known as the external sources of recruitment.

Several other studies have suggested that an employee’s recruitment source can affect the employee’s subsequent tenure and job performance in both large and small organizations (Lorenz, 2005 and Zimmerman, 2002). However, Torrington et al. (1991) suggested that in a small organization it may be sufficient for one person to consider the job’s important aspects and the requirements of job holder in place of the detailed job analysis/job description/person specification procedure usually recommended. Consideration should then be given to whether the vacancy can be filled internally. If the vacancy is to be filled externally, the methods by which suitable candidates are to be attracted, how they should apply, and what selection techniques are to be adopted should then be decided.

External recruitment is the process of attracting and selecting employees from outside the organization. While generalist managers or administrators can undertake some components of the recruitment process, mid- and large-size organizations and companies often retain professional recruiters or outsource some of the process to recruitment agencies. The recruitment industry has four main types of agencies: employment agencies, recruitment websites and job search engines, "headhunters" for executive and professional recruitment, and in-house recruitment. The stages in recruitment include sourcing candidates by advertising or other methods, and screening and selecting potential candidates using tests or interviews.
Conrad and Ashworth (1986) have believed that the sources from which the company recruits potential employees are a critical aspect of its overall recruitment strategy. The total labor market is expansive; any single organization needs to draw from only a fraction of that total. The size and nature of the fraction that applies for an organization’s vacancies will be affected by how (and to whom) the organization communicates its vacancies.

According to Marsden, and Campbell (1990), organizations can use two broad types of recruiting techniques. Formal techniques employ a formal market intermediary between the firm and the prospective employee. That intermediary may be an advertisement, public or private employment agency, or even a "help wanted" sign in front of the business. To search for new employees, informal techniques use individuals who may include current employees, colleagues/associates at other firms, or colleagues in professional associations.

Certain firms prefer to recruit internally as a matter of policy. It is only when the internal search does not prove fruitful that the firm goes in for external recruitment. Internal recruitment refers to the process of recruiting from the current employee pool of the organization. External recruitment involves searching for potential employees from the external labor market. Firms necessarily have to recruit externally when they (1) expand their workforce; (2) need to fill entry-level positions; (3) need skills that are not available with current employees: and (4) need to infuse fresh ideas in the firm.

Russo et al. (1995) stated that, after the gathering of all relevant information, the substance of the information must be made available to the job seekers possibly by using recruitment channels. Their purpose is to render the relevant information about the vacancy concerned accessible to targeted groups of potential candidates, hence helping the applicants in their decision making by giving a sort of preview of the working conditions to be expected. Recruitment channels can be classified according to two major criterias:

(1) On the basis of the labour market segmentation one may distinguish internal and external recruitment channels, that is channels which recruit (spread information about vacancies) in the internal and external labour market (internal or external to
the firm), respectively. According to this criterion the use of internal channels gives rise to an internal flow of information, while the use of an external recruitment channel generates an external flow of information.

(2) On the basis of institutional dimensions, one may distinguish between informal and formal channels that are channels which use the personal social network or the institutional network (media) in order to convey information.

Breaugh (2008) defined external recruitment as encompassing an employer’s actions that are intended to: (a) bring a job opening to the attention of potential job candidates who do not work currently for the organization, (b) influence whether these individuals apply for the opening, (c) affect whether they maintain interest in the position until a job offer is extended, and (d) influence whether a job offer is accepted.

According to Agarwala (2007) both internal and external recruitment have advantages and disadvantages which are summarized in Table 2.1.

Keeping in view the above advantages and disadvantages, the organization should have its own recruitment policies. According to Yoder (1972), recruitment policies involve:

- Carefully observing the letter and spirit of the relevant public policy on hiring and, on the whole, employment relationship.
- Providing individual employees with the maximum of employment security, avoiding frequent lay-off or lost time.
- Providing each employee with an open road and encouragement in the continuing development of his personal goals and employment objectives.
- Assuring each employee of the organization’s interest in his personal goals and employment objectives.
- Assuring employees of fairness in all employment relationships, including promotions and transfers.
- Avoiding cliques which may develop when several members of the same household or community are employed in the organization.
- Providing employment in jobs which are engineered to meet the qualification of handicapped workers and minority sections.
- Encouraging one or more strong, effective, responsible trade union among the employees.

**Table 2.1: Sources of Recruitment: Advantages and Disadvantages**

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<thead>
<tr>
<th>Sources</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td><strong>Internal</strong></td>
<td>Performance data of candidate is readily available</td>
<td>May give rise to internal politicking</td>
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<tr>
<td></td>
<td>Motivational</td>
<td>Morale problems for those not promoted</td>
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<td></td>
<td>Builds morale of employees</td>
<td>Inbreeding</td>
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<td></td>
<td>Speed of hiring</td>
<td>Leads to a chain of promotions</td>
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<td></td>
<td>Less expensive</td>
<td>Perpetuates organizational culture even if it needs to change</td>
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<td></td>
<td>Less time of socialize and adjust</td>
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<tr>
<td></td>
<td>Selected individual reaches performance standards sooner</td>
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<td></td>
<td>Results in succession of promotions</td>
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<td></td>
<td>Need to hire only at the entry-level</td>
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<tr>
<td><strong>External</strong></td>
<td>New people bring in new perspectives</td>
<td>May cause morale problem for those employees of the firm not promoted</td>
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<td>Facilitate organizational change</td>
<td>Not familiar with the culture of the firm</td>
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<td></td>
<td>Not aligned with any group within the firm</td>
<td>Socialization time is higher</td>
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<td>May not get acceptability from employees of the firm</td>
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<td></td>
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<td>Time consuming</td>
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<td>Can be expensive</td>
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As said by Henty (2000) many human resources managers agree that the best source for recruiting is within the organization itself. Promotion, internal transfer, job rotation and personal referrals are common practices. Other frequently used sources include educational institutions such as college placement centers, advertisements, employment agencies and recruiting services, voluntary applicants, state and federal employment agencies, career fairs, trade shows (especially for finding professional sales representatives), changing part-time jobs into full time, on-site interviews, and Internet, which is particularly suitable for the high-tech industry, are taking a more and more important role today. Internet is the latest tool in hiring. It is a real revolution spreading over the world of job hunting and hiring.

Nevertheless, Tong and Sivanand (2005) reported that the use of conventional recruitment methods no longer suffices and timely to attract sufficient pool of qualified applicants. Many organizations have turned to adopting sophisticated recruitment strategies or combining various recruitment methods to attract them.

2.2 HUMAN RESOURCE SUPPLY CHAIN MANAGEMENT

Companies are beginning to understand that recruiting is fundamentally an inventory problem. Workforce Analytics is a system of measurements for reviewing workforce optimization, labor deployment, skills penetration and out-year employment requirements (Icarian, 2001). The important trend is the introduction of longer-term, lifecycle thinking into the disciplines of recruiting.

As stated by Kay (2000), traditionally, the hiring process followed one of two approaches. For senior positions, companies contracted with executive search firms which would rely on networks of industry contacts and phone calls to search out executives who might be open to considering a change of position. For many jobs below the executive level, in-house or outside recruiters placed advertisements in newspapers, posted openings on bulletin boards and in newsletters, and staged job fairs, all designed to get résumés.

Kumar (2003) had stated that in earlier days, recruiting was practiced as a reactive art. The employment requisition, itself a highly politicized instrument, is issued following the agreed upon determination that a need for a new or replacement
employee exists. Given typical organizational functioning, the “req” was traditionally released between six days and six months after the requirement became clear. Consequently, a professional recruiter was on the receiving end of the organization’s slowness to respond to market conditions, creating a failure-prone environment. As a result of these failures, the traditional approaches to recruitment need to be reviewed and their effectiveness assessed against different criteria.

According to Barber (1998), many firms have adopted new and innovative recruitment practices to attract interest and attention from graduates, yet despite the substantial investments firms are making in such practices; most studies suggest weak or inconsistent relationships between early recruitment efforts and graduates’ decisions.

Icarian (2001), suggested that with the advent of organizational current need for resourceful recruitment structure, companies are beginning to understand that recruiting is fundamentally an inventory problem. The transformation phase with the supply chain perspective that encompasses the planning and management of all activities involved in sourcing, procurement, conversion, and logistics management activities (American professional association) provides a source to integrate the discipline with human resource recruitment. Importantly, supply chain management also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third-party service providers, and customers (various tiers). Akin to this, the HRSCM process also involves sourcing, procurement, conversion, and logistics activities with the help of coordination and collaboration with channel partners (head hunters, placement consultants, web sourcing etc.). In the supplier-customer business arrangement, the effective way for suppliers (placement agencies, web sources) to service customers (company), is to become more responsive.

In Icarian’s approach (2001), managing current and future requirements simultaneously allows the organization to spot its own hiring, attrition and retention trends while maximizing the output of each employee in the company. Training and assignment rotation get folded into the recruiting process.
Poirier (1999), stated that an important factor contributing to responsiveness is time compression in the supply chain. Not only can company (customers) be serviced more rapidly but also the degree of flexibility offered can be greater and, furthermore, the cost should be less because the pipeline is shorter.

Heinl (2001), believed that, something like supply chain management is the next logical step in managing human resources. It is win/win for employers and employees to move in the direction of human resource supply chain recruiting.

Annappindi (2001), also added that although people and products cannot be equated and subjected to the same exact metrics, nevertheless suitable common principles can be applied, albeit sensibly, to similar problems.

According to Mahfouz (2001), many industries, especially retail, can profit from the power of modularity between human resource and supply chain at the human resource level.

As a result, the HRSCM process in collaboration with channel partners, (head hunters, placement consultants, web sourcing etc.) backed by speed and search ability of internet, allows companies to have the capacity to search for required skills that are offered by independent consultants (Tier 1). These consultants would list their skills on a variety of Web sources (Tier 2) and take positions in companies (Tier 3) when their skills are needed on specific projects. This increases the efficiency of employees and employers.

According to Heskett’s (2001), perspective manufacturers and distributors are succeeding in various approaches — including postponement, computer-aided manufacture, robotics, rapid response, positive tracking, and modularization — to fine-couple supply with demand for goods. To some degree, this has exacerbated the challenge to those responsible for staffing these activities by creating more frequent peaks and valleys in demands for talent.

In relation to above statement Snell and Bohlander, (2008) have also said that while recruitment can be thought of as a stand-alone activity, limited to a single job at a single point in time, often this is not the case.
As also noted by Cappelli (2008), those who study supply chain management ask questions like, ‘Do we have the right parts in stock?’ ‘Do we know where to get these parts when we need them?’ ‘Does it cost a lot of money to carry inventory?’ These questions are just as relevant to companies that are trying to manage their talent needs. In other words, the principles of supply chain management, can be applied to human resource management which takes human resource recruiting well beyond the systematize scope that the originator of the discipline had visualized. This will provide new emphasis and scope to the notion that recruitment is an ongoing activity and that it is not a solitary errand rather a layered and multifaceted process with internet as a major facilitator.

Kumar in the year 2003 also proposed the two-stage human capital acquisition and management supply chain model, where Internet and World Wide Web provide a communication network between suppliers and customers, which stated that, in the pre-employment stage (prior and up to employment of candidates), the supplier-customer relationship is either one or other of the following:

- Candidates considered as tier-one suppliers bid for their services and employers (or companies) considered as customers recruit candidates based on their service potential.
- Recruiters considered as tier-one suppliers function as intermediaries in identifying suitable candidates (tier-two suppliers) for their services and employers (or companies) considered as customers recruit candidates based on their service potential.

In the post-employment stage (after employment of candidates), the supplier-customer relationship between employers and candidates reverses. That is, employers considered as suppliers of jobs and candidates, who are now employees, as consumers of jobs.

In the pre-employment stage, there is a need not only to compress hiring process time, but also cost of hiring and quality of hired candidates. On the other hand, in the post-employment stage, employers should institute an effective employee development program to enhance enterprise productivity with the support of quality candidates chosen during pre-employment stage.
2.3 E-RECRUITMENT

Although one of the latter steps in the recruitment process, the choice of its recruitment tool remains fundamental for any company. The choice of the recruitment method requires that the organization goes through an elaborate procedure considering the cost of reaching the target group, the time scales involved, the fit with the organizational culture and the opportunity presented to enhance the organization’s public relations. The aim is to attract the attention of the right people, and encourage them to submit an application. One of the newest recruitment tools at the disposal of employers is online recruitment (Galanaki, 2002).

The term online recruitment, e-recruiting, cybercruting, or internet recruiting, imply the formal sourcing of job information online. According to Gentner, (1984) and Casper, (1985) the first references to e-recruiting appear in articles of the mid-1980s. While systematic reference to e-recruitment in the HR journals begins almost a decade later, in the mid-1990s, when IT companies and universities begin to use the internet extensively.

Cober, Brown, Blumental, and Levy (2001) presented a three-stage model of the e-recruitment process. The first stage in the model focused on persuading Internet users to review job opportunities on the recruitment site. The model assumed that at this stage in the process, applicants were primarily influenced by the aesthetic and affective appeal of the web site. The second stage of the process focused on engaging applicants and persuading them to examine information. This stage in turn comprises three sub-stages: fostering interest, satisfying information requirements, and building a relationship. At this stage, applicants were primarily swayed by concrete information about the job and company. The final stage in this model was the application process, wherein people decided to apply online for a position.

According to Galanaki (2002), online recruitment refers to posting vacancies on the corporate web site or on an online recruitment vendor’s website, and allowing applicants to send their resumes electronically via e-mail or in some electronic format.
Studies of the use of the internet to support HRM have been conducted for areas such as online recruiting (Cappelli, 2001; Feldman and Klaas, 2002), personnel selection (Mohamed et al., 2002) and pre-employment testing (Mooney, 2002). Online recruiting is one of the worldwide trends for HR functions (Bussler and Davis, 2001; Lin and Stasinskaya, 2002; Kumar, 2003; Kuzmits and Santos, 2003; Dineen et al., 2004). The internet has dramatically changed the ways of both job seekers and organizations in employment practices. CVs sent through the internet can be scanned for keywords identifying the required knowledge, skills, competencies and experience. This information can then be stored in the information system for immediate or future use.

Mainly two methods of advertising vacancies on the internet are being used by the organizations. The first method is organization’s own web pages that are easy to locate. As per Breaugh and Starke (2000) one of the major advantages of this method is that the web page may provide potential applicant with a wealth of information about the organization, and, as such, allows the applicant to evaluate their fit with the organization. The second method for internet recruiting is to use commercial sites. These sites have international, national or specific city coverage and may also have a specific focus on minority or women applicants. These commercial websites contain databases of job vacancies and applications. Job seekers and employers can access the database by paying fee and can post and retrieve information respectively. Job seekers can also search the database by salary or geographic area wise. The job vacancies are hyperlinked to the company’s web page where resumes can be submitted to a suitable employer.

According to Laabs (1999) due to technological advances and competition, many of these sites are offering new services to their customers. For example, some sites require job seekers to take a personality assessment test online. When a candidate’s personality profile fits a job opening which he or she desires, his or her information is shared with the client employer. Another service involves using e-mail to notify registered job seekers and employers of new vacancies or resumes that fit their needs as soon as they are entered into the site’s database.

When people speak about a ‘job board’ they are generally referring to a website that specialises in advertising positions vacant. It is a database carrying a number of jobs
from a number of employers linked to a website at the front-end. This is a user-friendly interface that allows potential candidates to browse the available jobs according to criteria they set themselves, such as location or pay scale. This is a useful option if the firm have a low volume of positions that become available infrequently. A ‘job board’ could be the starting point for building an effective online HR strategy (Watmore, 2005, Figure 2.4).

**Figure 2.4:** Source: Dti- E-Recruitment Projects In The Public Sector, A Government Guide To Best Practices.

According to Mohamed, Orife and Wibowo (2002) many of these commercial sites may change from providers of a few disconnected services to a one stop, full-service recruiting and selection system in coming future [161]. Moreover, jobseekers find it less time-consuming to use the Internet than other traditional job-hunting avenues and it presents them with more information about the company and specific career
opportunities. With this information, they can decide if they wish to contact the company to be considered for the position.

According to Snell and Bohlander (2008), there are now more than 4,000 websites where applicants can submit their resumes and potential employers can check for qualified applicants. Applicant tracking system can match the job requirements with the experiences and skills of applicants. Fisher, Schoenfeldt, & Shaw (2006) pointed out that entire new job titles—such as internet sources, internet recruiting specialist, and internet recruiting manager—have come into being in the past few years. To find individuals who are interested or could be interested in a job, recruiters may use spider search engines (Hays, 1999). The term spider is a generic name for a type of software that can search the internet for specific characteristics on posted resumes or personal web pages. As such, this search process is not limited to any specific web sites.

Smith (1999) stated that as the world is recognizing that the World Wide Web's value goes beyond that of a fancy display device, innovative companies are rapidly developing next generation Web-site features to enlarge their pool of prospective employees—as well as to promote their companies. Harnessing the Web's inherent interactivity allows for the creation of highly personalized and responsive Web recruiting domains that deliver results for both the applicant and the company.

According to Dineen, Ash, and Noe (2002), one of the easiest ways to get into “e-Cruiting” is to simply use the organization’s own web page to solicit applications. By using their own web page, organization’s can highly tune their recruitment message and focus in on specific people. For example, the interactive nature of this medium allows individuals to fill out surveys that describe what they are looking for and what they have to offer the organizations. This survey’s can be “graded” immediately and recruits can be given direct feedback about how well they are matched for the organization. This type of immediate feedback regarding their fit is both helpful to recruits and to the organization, by quickly and cheaply eliminating misfits for either side.
According to Dysart (1999) and Taylor (2001), the scope of internet recruiting also involves providing the possibility to conduct remote interviews and assessments, such as psychometric or aptitude tests online, and using banner advertisements and smart agents to search the web. Interactive tools, which link the corporate databases with the website, like search engine, interactive application forms, e-mail auto respondents and electronic mailing lists, are also at an early practice stage.

According to Milton (2000) e-recruiting aids in the hiring of top talent, reduces your time-to-hire and lowers your recruiting costs. The ease with which employees can apply to several Web recruiters means that if a company does not quickly spot and woo an attractive applicant, they tend to disappear very quickly. The Internet is also a cost-effective way to communicate employment opportunities to a wide audience. Companies that properly use the Internet to recruit often find that the candidates who apply are of quite high quality. Frankland (2000) also pointed out that the Cisco Corporation estimates that it has achieved a 45 per cent reduction in recruitment costs since using the web as its core channel for recruitment.

Lievens and Harris (2003) stated that e-recruitment had, in certain ways at least, significantly changed the way in which the entire staffing process was conducted and understood. In general, the authors had specified five common assumptions associated with e-recruitment that underlies the use of this approach as compared to traditional methods. A first assumption was that persuading candidates to apply and accept job offers was as important as choosing between candidates. A second assumption was that the use of the Internet makes it far easier and quicker for candidates to apply for a job. Third, one typically assumes that important information about an organization may be obtained through the Internet. A fourth assumption was that applicants can be induced to return to a web site. A final assumption refers to cost issues, namely that Internet recruitment is far less expensive than traditional approaches.

Kerrin (2009) reported that the most frequently used methods for attracting candidates were advertising job openings, and tracking the source of applications and online enquiry forms. There was a vast variety in the extent to which online applications were structured, and also how they were screened. According to Gueutal and Stone (2005) the most common practices in e-recruitment are (1)
adding recruitment to existing organizational websites, (2) using special recruitment websites, (3) developing interactive tools for processing applications, and (4) using software for online screening of applications.

Wilkinson and Andrew, (2004) have said that; one of the great strengths of online recruitment compared with newspapers is its incredible flexibility. A job description can be short or long, detailed or brief. Jobseekers can search for roles by function, job title and location, as well as many other keyword options. They can view all the relevant jobs that meet their criteria, and then apply immediately with a few clicks. If potential applicant adds to this, the ability to link directly to the company's website, or include some of the more sophisticated types of employer profiles being developed, they have a very powerful and cost-effective recruitment tool.

Hill (2001) also share a same view point by not recommending the world wide web for those small firms who typically recruit unskilled or semi-skilled labor and low paying positions for which candidates typically would not commute far or relocate. However, he stated that internet does offer most employers several advantages over print publications such as (a) Cost; (b) Reach; (c) Speed; (d) Ease; (e) Coverage; (f) Products and services (resume database, online applications, banners, profiles, etc.).

According to Smith (1999), e-recruitment has become an extremely effective recruitment tool. When used properly, it can reduce search times; search fees, cost-per-hire, and reach applicants in a much more effective way than companies have ever had the opportunity to do until now.

Five important e-recruitment approaches given by Lievens and Harris (2003) described the methods of attracting applicants to apply for job. This list was neither meant to be exhaustive nor comprehensive as different approaches to Internet recruitment were evolving regularly. The first approach was Company web sites that represent one of the first Internet-based approaches to recruiting. Second was Job board, another early approach to Internet-based recruiting. The third approach talked about was e-Recruiting. A completely different approach to Internet-based recruiting focuses on the recruiter searching on-line for job candidates. Relationship Recruiting was the fourth approach that was potentially major innovation in Internet
recruitment (Harris & DeWar, 2001). Finally, Surreptitious approaches, perhaps the most recent approach to Internet recruitment (Lievens and Harris, 2003).

The internet had become a potent tool in the rush to help employers find engineers and other technologists who might want to switch jobs. HR teams were growing more empowered by the web and with the access to much of the same information as headhunters, were innovating and changing the way recruiting is done. For some companies, the internet had made it possible to trim back the number of outside recruiters (Marcus, 2001). According to Dale (2003), the main advantage of internet is that it is not really just one medium; it gives access to other media as well as enabling advertisements to be displayed on free-standing web pages. Other media found on the internet include:

- Newspapers and Journals. Some newspapers and journals display vacancy advertisement on their own web pages. Regional and local newspapers tend to make use of an intermediary. This gathers all adverts placed in the participating newspapers and provide a single point of access for the job seekers.

- Employers. Particularly large organizations including those in the public sectors, display information about current vacancies and the organization. This has many benefits for the organization, for information about working for the organization can be displayed at the same time and in the same place as the vacancy advertisement. Some employers also have online application facilities, so that interested candidates can submit their application immediately. Alternatively application forms can be downloaded, for later completion. There are considerable advantages for multinational companies or those recruiting in the global labor market, for the advert needs to be placed only once.

- Recruitment agencies. Some particularly the large ones, have their own web sites. Others subscribe to services such as Monster. This type of service providers, provides a service to recruitment agencies, often the smaller, local ones. These service providers can also offer facilities directly to employers, and can be set up in the form of a consortium, which lists vacancies in universities, or ability, created for employers wanting to recruit people with disabilities.

- Online screening. Some web sites enable candidates to apply directly to the employer. This can include the completion of online psychometric and other
forms of testing. There are lots of questions about the validity of this, for it can be very difficult to prove that the person purporting to apply for the job is the same person as the one completing the test.

- CVs. The internet allows individual job seekers to advertise themselves widely at low cost. It also enables them to specify the type of job they are looking for, and facilitates a match.

However, Dale (2003) said that some of the biggest factors that need to be considered at the outset are whether members of the target group have access to the internet, whether the ability to use it is a requirement of the job, and how the advertisement can be worded so that responses from the hundreds of hopefuls from across the world are not received, unless of course what is intended. Also, as it is worldwide, so unless the advertisement is carefully worded, applications from the other side of the globe could come flooding in. The organization also has to decide how to respond to the replies in advance to avoid its computer system becoming jammed.

As also pointed out by McCourt-Mooney (2002) one of the most difficult problems that organizations face when they use e-recruitment is the large volume of resumes that they may receive. Frazee (1996) has further said that this volume of resume along with the pressures to identify the best applicants have caused companies to use electronic scanning to sift through the resumes and identify those key words that may relate to the job requirements.

However, Smith and Rupp (2004) stated that e-recruitment gives employers the most robust solution available to improve candidate relationships; information flow and speed processes to shorten the hiring cycles. According to Ibid (2008) following guidelines regarding e-recruitment are highly useful for recruiters:

- E-net recruitment need to be aligned with organization’s strategic goals. For example, if a firm has an innovation strategy that focuses on developing new information technologies, e-recruitment shall identify individuals with skills that can help meet these goals.
- Organizations that have reputation can benefit e-recruitment.
• Firms need to use e-recruitment as one of the sources but not the only source of attracting talents.
• May attract frequent job hoppers.
• The websites should be designed for easy to use, simple to navigate and attract candidates rather than simply screening them.
• Organizations should develop online screening systems based on job analysis and ensure that inferences made from the systems are reliable and valid.
• The system should give adequate information about the company and the positions to the candidates.
• Organizations should use websites to promote values that will be attractive to most employees rather than just select those that fit with traditional culture.
• E-recruitment should not be used as fad but should be measured in terms of successful placements made.
• Collect feedback from job applicants on the direct and indirect messages conveyed by the website regarding the climate of the organization.
• Companies should use appropriate languages in the website for people with diverse background can use the website.
• The system should be simple and should not cause anxiety in the mind of job applicants while navigating the site.
• Should meet all legal requirements and without any bias based on caste and religion.
• Should attract disadvantaged sections of the society.
• Protect the privacy of individual. The web should have limited access to data and the data collected are relevant to the job.

Mathis and Jackson (2003); Mondy, Noe, and Premieux (1999) indicated that there are three most common methods used for internet recruiting that have its own advantages and disadvantages and is summarized in Table 2.2.

However, no method is full-proof. Mathis and Jackson (2003); DeCenzo and Robbins (2005); Dessler (2005); Feldman and Klaas (2002) have also given various advantages and disadvantages of internet recruiting from organization and employees perspective, that are depicted in Table 2.3.
<table>
<thead>
<tr>
<th>Methods</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Boards/Job Placements Website</td>
<td>Useful for generating applicant responses</td>
<td>Many individuals accessing sites are only ‘job lookers’, not serious applicants</td>
</tr>
<tr>
<td>Professional/Career Websites</td>
<td>Target applicants interested in a specific industry or professional</td>
<td>Since professionals other than the target applicants do not normally access the website, they remain unaware of the employment developments in these professions</td>
</tr>
<tr>
<td></td>
<td>Reduces number of less qualified applicants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Saves recruiter’s time and effort</td>
<td></td>
</tr>
<tr>
<td>Company Websites</td>
<td>More effective and efficient</td>
<td>Many employers websites are difficult to navigate since they do not present career and employment information</td>
</tr>
<tr>
<td></td>
<td>Can be put up inexpensively compared to print</td>
<td>May lead to negative image of the organization if not updated regularly</td>
</tr>
<tr>
<td></td>
<td>Firm may be able to attract individuals otherwise inaccessible</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attracts the attention of candidates worldwide</td>
<td></td>
</tr>
</tbody>
</table>
Table 2.3: Advantages and Disadvantages of E-Recruitment

<table>
<thead>
<tr>
<th>E-Recruitment</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
</table>
| **Organizational Perspective** | Cost-effective compared to newspaper advertising, search firms, etc.  
Generates more applicant resumes compared to newspaper advertisements  
More timely; responses start coming in the day the advertisement is posted on the internet.  
Saves time, as recruiters can respond to qualified candidates more quickly  
Recruiters can request additional candidate information  
Job postings may be viewed worldwide; hence, the firm gets access to potential employees worldwide | May get applications from more unqualified candidates  
May create additional work for HR recruiters requiring them to review more resumes and answer more e-mail  
Many individuals accessing websites are not looking for new jobs seriously  
May need specialized applicant tracking software to handle increase in applicants |
| **Employee Perspective** | Allows individuals quick access to information on various job possibilities round the clock  
Lets candidates look for jobs without taking any public or visible action  
Helps lessen the amount of interpersonal awkwardness associated with soliciting job offers in person  
Potential applicants from other geographic areas and countries can view job openings posted on the internet  
Saves applicants time as they can respond quickly to job postings by e-mail | Individuals from disadvantaged sections of society such as lower socio-economic groups may have limited internet access; these sections may be represented disproportionately  
Internet recruiters may not be reaching a diverse workforce |

Chartered Institute of Personnel and Development (CIPD, 1999) had also promoted the viewpoint on e-recruitment. This had stated that the most common ways to use the internet as the means to recruit are:

- To add recruitment pages to existing organization site. It is a very common practice at the moment and its major advantage, namely the minimal cost
associated with developing a page on corporate site, puts it forward as the smarter way to the internet (Scheyer and McCarter, 1988).

- To use websites specialised in recruiting employees, like “online recruiters”, “job portals”, “online job boards”, or “job agencies”. Those sites ultimately act as mediums that connect the companies with potential applicants. The dedicated recruitment websites can take the form of job listing websites, which are very similar to printed classified advertisements; work-wanted sites which emphasize the prospective employee’s side; and finally online recruiters who make use of other websites as a resource for finding clients and customers (Rudich, 2000; Taylor, 2001).

- To use a media site. In this case electronic advertisement appears similarly and simultaneously with traditional printed advertisements in the original paper (newspaper or magazine). Classified on the news paper’s website are sometimes offered free to anyone paying for a print advertisement.

According to Smith and Rupp (2004), E-recruiters utilises a secure, integrated database and advanced work flow technology to notify potential employers when qualified candidates register. Therefore, employers can exercise greater control over the process by defining the parameters of their searches and the future decision-making steps. In addition, specific abilities of e-recruiting included a number of major features. Several of the most important features given were:

- The ability to initiate interview requests and order background checks;
- Unlimited cost information tracking for all activities associated with the hiring process;
- Customised e-mail notification of recruiters for both active and passive candidates;
- Improved integration of recruiter-specific communications activities;
- Dynamic creation of an employer’s job page;
- Multiple language support with candidate accessibility for US and global partners; and
- Extensive ability to personalise the candidate experience by allowing employers to tailor the candidate and recruiter interfaces.
A study conducted by Verhoeven and Williams (2008) represented the advantages and disadvantages of the general use of e-recruitment and selection for employees that was based on a large review of academic and practitioner literature depicted in Table 2.4.

Table 2.4: General Advantages and Disadvantages of E-Recruitment and Selection of Employees

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easier to apply (Kaydo and Cohen 1999)</td>
<td>Privacy problems</td>
</tr>
<tr>
<td>More passive process (Kuczynski 1999)</td>
<td>Level and type of job available on-line (Galanaki 2002; Richards 1999)</td>
</tr>
<tr>
<td>Less intrusive (Kuczynski 1999)</td>
<td>User-unfriendly tools (Feldman and Klaas 2002)</td>
</tr>
<tr>
<td>More specific searches</td>
<td>Discrimination of those who do not have access (Pin et al. 2001)</td>
</tr>
<tr>
<td>24/7, time saving and relatively cheap (Alfus 2001)</td>
<td></td>
</tr>
<tr>
<td>Quick turn-around time</td>
<td></td>
</tr>
<tr>
<td>One-stop-shopping place</td>
<td></td>
</tr>
<tr>
<td>Feel for labour market (Feldman and Klaas 2002)</td>
<td></td>
</tr>
</tbody>
</table>

Chris and Terry (2006) also stated that companies now have at their disposal a conceptually sound framework (person job-fit) and a cost-effective, speedy, and convenient system (online testing) to meet their personnel selection needs in a highly competitive environment.

From the above discussion, it is clear that with sophisticated features and applications available for e-recruitment, a core challenge is for the employers to now actively market themselves by instituting a well-implemented e-recruitment program to find better quality candidates and improve hiring decisions, all in less time and at a lower cost.
This chapter brings out the nature and conceptual framework of the present study. Next chapter reviews various empirical studies conducted in relevant and related areas of present research study.