CHAPTER 3

REVIEW OF LITERATURE AND FORMULATION OF HYPOTHESES

This chapter is presented in three sections. The first section reviews the literature pertaining to role, importance of recruitment sources and perceived advantages and disadvantages of e-recruitment. A diverse range of studies have been conducted by various scholars, which present different perspectives with regard to the role of recruitment, recruitment sources, the process of recruitment and importance given to e-recruitment in the organisations. Of late, perceived usage of e-recruitment at present and scope in future have been explored by many researchers. Through an overview of selected studies in the above areas an attempt has been made to bring out the essential parameters that govern e-recruitment, as considered relevant to the present study in Hospitality and Healthcare services.

The second section summarises the literature reviewed on e-recruitment and its impact on human resource supply chain management in providing quality of applicants, time and cost taken, and wider choice of applicants. The linkages between e-recruitment and its impact are explored by review of various studies conducted in this field.

The third section focuses on employee job search behaviour in context of e-recruitment. In this section research studies regarding employee job search behaviour as they apply to e-recruitment have been reviewed. Research evidence regarding appropriateness of various services provided by the e-recruitment with special emphasis on company’s website and job boards have been investigated and their implications in taking decision on searching jobs online have also been reviewed.
The latter two sections elaborate the hypotheses developed and conceptual model of the study based on the review of literature and the theoretical framework underlying study.

3.1 ROLE, IMPORTANCE OF RECRUITMENT SOURCES, AND ADVANTAGES AND DISADVANTAGES OF E-RECRUITMENT

There is a voluminous research base and bewildering volume of advice to guide the personnel practitioner on almost every other aspect of the recruitment role and the importance of recruitment process, yet if one peruses reviews of recruitment research (e.g., Barber, 1998; Breaugh, 1992; Rynes, 1991; Wanous, 1992), one finds a mix of optimism and pessimism (James, Breaugh, and Starke, 2000). An extensive review of literature brings out following findings:

3.1.1 ROLE AND IMPORTANCE OF RECRUITMENT SOURCES

In one of the earlier studies, Gannon (1971) examined the relationship between several methods by which individuals heard about job openings and voluntary turnover. Among his findings, individuals who were referred by a current employee or who had applied directly (“walk-ins”) without knowing if there were job openings were less likely to quit than individuals who responded to job advertisements or who were referred by an employment agency.

Barron, Bishop, and Dunkelberg (1985) in their study distinguished between an intensive margin and an extensive margin of employer search. The intensive search involves the gathering of relevant information on the applicants concerned, while the extensive search refers to the number of applicants interviewed before the job is offered. The authors related both types of search to the amount of training to be provided, to the hiring standards and to a number of firm’s characteristics (size and economic sector). It is interesting that on this topic the economic and personnel management approaches appear to agree that recruitment channels have an impact on the result of recruitment in terms of both duration and productivity.

Ours and Ridder (1992) introduced a novel method to test the hypothesis that firms search sequentially based (in which applicants are screened as they show up) on the
relationship between the number of (rejected) job applicants and the number of employees hired. The author used data compiled from filled vacancies for the Netherlands. Different types of search methods were distinguished. The results implied that when firms use advertising, private or public employment agencies, which together cover about 45 per cent of filled vacancies, sequential search is rejected. For about 55 per cent of filled vacancies however, sequential search cannot be rejected. In line with theoretical considerations, when firms use search methods that rely on social networks, sequential search cannot be rejected.

Gorter, Nijkamp, and Rietveld, (1993) surveyed the Dutch labor market for recruitment channels and its impact on the vacancy duration. The authors tackle the topic within an original framework in which the choice of the search channel is the result of the evaluation of expected costs and expected benefits connected with the use of a certain search channel. The authors found that labor market segmentation plays an important role in the choice of the recruitment channels; in particular, advertising appears to maximize the difference between expected costs and expected benefits when the vacancy concerned belongs to the primary segment of the labor market, while when it belongs to the secondary segment the preferred recruitment channel seems to be the labor exchange office. By using a piece-wise constant hazard rate, they argued that from the analysis of the time pattern of the hazard rate one may conclude that when advertising is used employers search non-sequentially, while if the informal channel is used employers tend to search sequentially.

While Gorter and Ommeren (1994) pushed the analysis one step further. The authors concluded that two main recruitment strategies can be identified: a sequential use of search channels, in which the first search channel chosen is usually the informal channel, and additional search channels are activated one after the other; and an “adding to the pool” strategy in which the first search channel chosen is basically advertisement and later one or more search channels are activated in order to enrich the pool of available applicants.

Russo, Rietveld, Nijkamp, and Gorter (1994), concluded that the different impacts on duration which can be shown to exist between the informal channel and advertisement are basically due to the different characteristics of the applicants generated by the channels considered. In fact, the informal channel tends to reach a
smaller population, whose productivity is less uncertain (pre-screening hypothesis). On the other hand, the population reached by advertising is usually broader; this leads to higher expected productivity levels but in the meantime it may increase the likelihood of mistakes in recruitment. In order to avoid the latter risk a more intensive selection may be required.

Redman and Mathews (1995) used eleven hundred cases to examine the effectiveness of recruitment advertisements. Findings showed that, in 1980s there was an increase in public sector recruitment advertising (from 20.8 per cent to 37.8 per cent) and a corresponding decrease in private sector (from 79.2 per cent to 62.2 per cent) over the decade. At the same time the authors mentioned two main problems of recruitment advertisement designers. First, with the supply in labour market in 1993, there was a need for limited and selective response from those readily available skills in order to minimise time and cost consumed by screening, short-listing and selection. Second, despite the general over supply of the labour market, skill shortages remained a problem in number of areas.

Mencken & Winfield (1998) had explored the advantages and disadvantages of informal and formal recruiting practices in external labour markets. The data was analysed from 1981 Metropolitan Employer-Worker Survey (MEWS). Based on random-digit-dial telephone survey of 2,713 adults, the authors had constructed seven dichotomous dependent variables. The empirical analysis of their study found that quality was the stronger motivator than cost for informal recruiting, hiring managers viewed the volume of applicants as the central advantage of formal recruiting techniques and the employment agencies were seen as having the advantages of both informal and formal recruiting—high quality and large volume. At the same time, authors also found that cost made employment agencies less attractive to hiring managers for whom quality rather than volume was the primary concern.

Carroll, Marchington, Earnshaw and Taylor (1999) in their study on recruitment in small firms, aimed to find out how practices in small firms compare with the perspective “textbook” procedures; whether those were seen by small firms as appropriate to their needs; the recruitment problems small firms faced, and what strategies they had adopted to overcome them. The research adopted a case study
approach of five sectors (hotels and catering, road haulage, nursing/residential homes, printing and solicitors’ firms) from cross-section of industries covering service, manufacturing, and transport. A total of 40 firms were involved, 8 in each of the five sectors. The authors found that the adoption of recommended systematic procedures and a high use of tried and tested methods including word-of-mouth and hiring of known quantities were adopted by the firms. The study also argued that the adoption of more formal procedures and methods could reduce staff turnover in small firms and its associated costs.

Based upon Zottoli and Wanous (2000) reviews of 21 recruitment method studies, (consistent with Gannon's findings), the use of referrals and direct applicants were linked to lower voluntary turnover, but these turnover effects tended to be small.

The article on developing and implementing competence based recruitment and selection by Farnham and Stevens (2000) reported and evaluated how a traditional approach to recruitment and selection in the social service department of West Sussex County Council was superseded by a competency based approach. The authors outlined the results of an internal research investigation that involved managers and personnel and training specialists. The research participants acknowledged the limitations of the existing recruitment and selection practices and recognized the need for a more competence based approach.

Kinder (2000) examined a new model for decomposing e-commerce. The paper suggested that use of the Internet in recruitment processes is likely to change the interface between internal and external labor markets for many firms. The paper predicted that the conceptions behind current research programs in labor market theory may require rethinking in the Internet era.

Weiss and Barbeite (2001) focused on reactions to Internet-based job sites. To this end, they developed a web-based survey that addressed the importance of job site features, privacy issues, and demographics. They found that the Internet was clearly preferred as a source of finding jobs. In particular, respondents liked job sites that had few features and required little personal information. Yet, older workers and women felt less comfortable disclosing personal information at job sites. Men and
women did not differ in terms of preference for web site features, but women were less comfortable providing information online.

A study by Lockyer and Scholarios (2004) on selecting hotel staff, considered the nature of “best practice” for recruitment and selection. Data from Scottish hotels indicated a reliance on informal methods, particularly in smaller hotels. In larger and chain hotels, structured procedures, including references, application forms and panel interviews, were evident, but, these methods were inadequate for dealing with recruitment and quality problems.

A research carried by Henkens, Remery and Schippers (2005) on recruiting personnel in a tight labour market aimed to analyse the instruments employers used to contact with potential workers and to find out, to what extent employers rely on traditional means like advertisement in the news paper or do they behave more actively using world wide web, visiting job fares etc. The authors conducted a survey among more than 1000 employers in the Netherlands. Factor analyses and regression analyses were carried out to explain different recruitment strategies. The factor analyses showed that the different recruitment methods can be traced back to three recruitment strategies. The first strategy was described as active and informal recruitment. The second strategy was called recruiting via the internet and the third was characterised by formal recruitment. The results suggested that many organisations – not in the least organisations in the local government sector – could gain a great deal from using a wider range of instruments to recruit new personnel.

A study conducted by Rafaeli, Hadomi, and Simons (2005) involved a plant located in Israel and focused on three recruitment methods: employee referrals, geographically focused ads (i.e., the local newspaper), and geographically unfocused ads (i.e., a national newspaper). They found that referrals generated more applicants, more hires, and a higher yield ratio (hires/applicants) than geographically focused ads which, in turn, outperformed unfocused ads on these three criteria.

A study conducted by Chand and Katou (2007) on the impact of HRM practices on organizational performance in the Indian hotel industry, investigated the affect of HRM systems on organizational performance in the hotel industry in India. A total of 439 hotels, ranging from three-star to five-star deluxe, responded to a self-
administered questionnaire that measured 27 HRM practices. Factor analysis was performed to identify HRM systems, and correlation analysis was used to test the relation between HRM systems and organizational performance. The results indicated that hotel performance is positively related to HRM systems of recruitment and selection, manpower planning, job designs, training and development, quality circles, and pay systems.

Breaugh (2008) had discussed employee recruitment and its important areas for future research, where he had reviewed research on recruitment topics that have received considerable attention (e.g., recruitment methods, realistic job previews). He had also addressed topics (e.g., targeted recruitment, the site visit) that have received relatively little attention but that have the potential to be quite important. The author suggested that, before making decisions concerning recruitment issues as what recruitment methods to use, an organization should thoughtfully establish its recruitment objectives.

3.1.2 ADVANTAGES AND DISADVANTAGES OF E-RECRUITMENT

Rynes, Bretz, & Gerhart, (1991) conducted a study of college graduates who were on the job market. They found that after site visits approximately 30 per cent of the individuals in their sample turned down job offers from employers to which they were initially attracted. Two of the factors that influenced individuals' reactions to a site visit were being treated professionally and meeting high-status people.

According to a national survey of 410 HR professionals and 800 job seekers conducted by JWT specialized Communications reported by Starcke (1996), the number of people tapping into the internet to post or find jobs was expected to double in next year. The survey also reported that internet recruiting offers advantages such as: access to more people and a broader selection of applicants, the ability to target the type of people needed, access to people with a technical background who know computers, convenience and quicker response and turnaround, ease of use and economy.
In an earlier survey, Austin Knight Inc., a recruitment and employee communications firm based in Sausalito, Calif reported by Starcke (1996), also projected growth in Internet recruiting. The firm's research showed that of 210 companies polled in phone interviews, 93 per cent say they expect to use the Internet more intensively for recruiting in the future. The Austin Knight survey also showed two-thirds of the companies surveyed consider the Internet more cost-effective than most or all other available recruitment methods. Companies that had used the Internet longer or posted more jobs rated the Internet's cost effectiveness higher than did other firms.

Dysart (1999) discusses the use of Internet search engines, online application forms, email auto-responders, and mailing lists by HR departments. This study argues that these innovations allow HR departments to link corporate datasets to external websites, enabling applicants to interact with the company more efficiently. In line with above-mentioned articles, Dysart cautions that integration of the Internet should be well planned.

According to the fourth annual recruitment survey by the Institute of Personnel and Development, nearly half of all employers were then using the Internet to recruit new staff. The survey, released on Tuesday 23 May 2000, highlighted the growth in usage from 36 per cent in 1999 to 47 per cent in 2000. The survey also explored for the first time how electronic media were being used as part of the recruitment process. Three main uses had been highlighted; these were the use of application forms being sent in by e-mail reported by 66 per cent of respondents; companies putting vacancies on their own intranets reported by 62 per cent of respondents; and use of their own Web sites to advertise positions reported by 43 per cent of respondents. The Internet was more likely to be used to advertise vacancies for professional staff than it was for managerial 42 per cent against 36 per cent, or skilled manual workers 23 per cent; though there had been a marked increase in usage for all areas, in particular skilled manuals where usage had doubled in a year from 12 per cent to 23 per cent.

Bolles (2001) in his book ‘What color is your parachute?’ reported that in past years the number of résumés received from an advertisement would be 20 to 1,000. He mentioned that ads in newspapers receive a response within 24 to 96 hours, with the
third day usually being the peak day. This number had significantly dropped, primarily because of the Internet and the low unemployment rate.

Cober et al. (2001) in his research on ‘What do the “Best Companies” do?’ rated a select group of companies’ recruitment web sites on characteristics such as graphics, layout, key information (e.g., compensation), and reading level. Using this coding scheme, they reported that most of these companies had at least some information on benefits and organizational culture. Relatively few of these companies provided information about such items as vision or future of the organization. The estimated reading level was at the 11th grade level. Interestingly, reading level was negatively correlated with overall evaluation of the company’s recruitment web site. The more aesthetically pleasing the web site, the more positively it was rated as well.

In one of the first studies to investigate the value of a web site providing such fit information, Dineen, Ash, and Noe (2002) found that individuals who received feedback suggesting they were a good fit were more attracted to the organization.

Research of the status quo in e-recruitment, an empirical survey focusing on online career networks in Germany conducted by Martin, Pfeffer, and Ruda (2002) investigated business related literature and empirical data based on standardised questionnaire. The participants of the survey consisted of 110 students of the University of Applied Sciences in Zweibrucken and GieBen-friedberg. The authors found that majority of the interviewees were familiar with e-recruitment. Nearly four fifths of the participants had already repeatedly searched job offers on online career networks and the majority of services provided were known to at least half of the participants. Although not all of the numerous services provided by online career networks were appreciated by the polled students.

Kumar (2003) has analyzed the impact of the Internet on human resource management from employees and employers’ perspectives. Based on author’s industry interactions and statistics, answers were sought to many pertinent questions relating to quality human resource initiatives and its link with technologically adept workforce. The author concluded that with the internet all types of jobs and employees could be easily found and acquired to fill specific needs. According to
him the internet can assist employees in finding employment opportunities faster and easier than ever before.

An e-recruitment study supported by institute of employment studies research network, Kerrin and Kettley (2003) conducted a survey using evidence based research and a series of case studies to find out the overall trend in e-recruitment. The IES survey of 50 organizations reported that the primary drivers behind the decisions to pursue e-recruitment were to improve corporate image, reduce recruitment cost, reduce administrative burden and employ better tools for the recruitment team. The survey reported that, out of 50 organizations, a large proportion was using online application forms (67 per cent).

Chapman & Webster, (2003) and Stone, Lukaszewski, & Isenhour, (2005), have conducted surveys of HR practitioners. The results of such surveys typically have found that web sites are viewed as a very effective recruitment method. In particular, web sites were perceived by the respondents as generating a large number of job applicants at relatively low cost.

Backhaus (2004) in his study on ‘an exploration of corporate recruitment descriptions on Monster.com’ explores the way in which corporations describe themselves in recruitment materials. Specifically, the study examines corporate descriptions provided to job seekers by firms advertising on the Internet site, Monster.com. The study also explores elements of corporate image presented in the descriptions and the way in which firms market their employer brands. The author used an exploratory research design to content analyze the corporate description of more than 200 corporations within 10 different industries. Results suggested that firms focused predominantly on firm attributes and secondarily on employee advancement. Ten specific information categories were revealed through the exploratory content analysis of the corporate descriptions found on Monster.com. With a means of coding the data and analyzing it, descriptions showed statistically significant variation by industry.

One of the study on e-recruitment service providers aimed to review e-recruiters’ web site platform features and tools that are designed to facilitate job seekers’ job applications and also to elucidate the financial performance of three international
and Malaysian e-recruiters. The findings observed that the e-recruiters’ revenues were growing rapidly while profits were still elusive.

According to 5th annual sources of hire survey conducted by CareerXroads that focused on how some of the America’s most competitive corporations fill their positions, reported the impact of internet at 24.7 percent. The survey began in mid-December 2005 via email sent to 192 different companies, to which 48 firms responded. The survey reported that two sources i.e. employee referrals and hires attributed to the internet continued to play the largest roles. The authors also reported that almost every source of hire claimed to have elements of the internet embedded into it. In this study the internet reflected hires driven to the firm from specific and niche job boards as well as the corporate website (Crispin and Mehler, 2006).

A survey conducted by marketresearch.com (2006), on the E-Recruitment market, found that the, major trends of e-recruitment were: 1. More advanced tools for candidate management on corporate career sites; 2. Increasing use of social networking technologies (Facebook, LinkedIn) to reach candidates; and 3. More opportunities for specialists in the market.

Starr (2006) reviewed the online recruiting industry since the mid 1990s and suggested that in recent years job boards have become very multifunctional: They help to manage the entire job-hunting process, including actual job search, interview tips, and resume- and cover-letter-writing tips.

Allen, Mahto, & Otondo, (2007) have examined web site effects by conducting experimental simulations. Authors manipulated web site attributes such as its aesthetics, ease of navigation, and the content provided. Not surprisingly, all of these attributes had been found to be important.

The results of a recent study by Dineen, Ling, Ash, & DelVecchio, (2007) were particularly interesting. These authors utilized a 2×2 design to manipulate whether a web site had good or poor aesthetic properties and whether or not the site provided customized information concerning how well a student fit the advertised position. Dineen and his colleagues found when a web site that had both good aesthetics and
provided customized information, a student was likely to spend more time viewing the web site and were better able to recall information provided.

In a recent study by Hoye and Lievens (2007) investigated the value of providing employee testimonials on an employer’s web site in comparison to receiving employer-related information from a web site not affiliated with the employer, found that information provided on the non-employer site had greater credibility.

A research conducted by Panayotopoulou, Vakola and Galanaki (2007), on E-HR adoption and the role of HRM attempted to investigate the transformation in the role of the HR function in Greek firms, as a result of the use of internet and technology. The authors adopted a methodology which was a combination of qualitative and quantitative research. The methodology involved focus groups and questionnaires. Authors had randomly selected 150 HRM departments and had collected a total of 76 usable questionnaires for analysis purpose and found that 54.8 per cent used web site for HR functions. However, they also reported that the respondents believed that use of technology in various HR functions will become more widespread in next two years.

Verhoeven and Williams (2008) conducted a research study on internet recruitment and selection in the United Kingdom. The study discussed the advantages and disadvantages as identified in literature and considered those against the views of employers in UK. It draws its data from a survey through postal questionnaire followed by an administered questionnaire from 83 organizations. Out of 83 organizations, 69 organizations indicated the use of the internet in the recruitment process. The authors found that “with the introduction of the internet, the recruitment process has become easier”. The findings had also implied that in order to make effective and efficient use of internet recruitment, employer should know which types and which levels of jobs can be filled by using the internet in the recruitment and selection process.

Ngai, Law, Chan & Wat (2008) in their research had empirically examined the perception of the internet to human resource management and the existing HR practices and needs of the internet to support HRM functions. The authors had used a structured questionnaire to collect data from selected public companies quoted on
the Hong Kong Stock Exchange. Data was collected from 147 respondents and used for analysis. A one-way analysis of variance (ANOVA) test was used to examine any mean difference in the respondent’s perception. The findings indicated that the most frequently cited internet-supported HRM function in the existing literature was recruitment and selection. The results also showed that there were no significant organization size differences or significant differences in internet connectivity as far as the perceived importance of the internet to HR practitioner was concerned. Helping managers to stay informed was the most important reason for adopting internet for HR practitioners.

A study conducted by Verhoeven and Williams (2008) represented the advantages and disadvantages of the general use of internet recruitment and selection for employers that was based on a large review of academic and practitioner literature is depicted in Table 3.1.

Strohmeier and Kabst (2009) examined the major adoption factors of e-HRM based upon a large scale survey with a sample of 2336 organizations in 23 European countries using logistic regression. The authors found that organizational size constitutes a significant factor of adoption.

Knowing which human assets are required, when and where, allows the cultivation of value-based relationships. It also fosters a climate of feasibility in the HR departments that takes a larger view in a new intelligent, agent-based decision-support framework for managing the human capital supply chain.

### 3.2 QUALITY OF APPLICANTS, WIDER CHOICE OF APPLICANTS, AND TIME AND COST TAKEN FOR ACQUIRING APPLICATIONS

#### 3.2.1 QUALITY OF APPLICANTS

A study conducted by Kirnan, Farley, and Geisinger (1989) on the applicants for positions as an insurance agent. In terms of assessing applicant quality, these researchers presented scores on a background questionnaire that had been shown to be predictive of success as an agent. Kirnan and her colleagues found applicants
who were referred by current employees or who applied directly to the company had higher scores than individuals recruited via employment agencies, newspaper ads, or school placement offices. In terms of a job offer, referrals and those who applied directly were more likely to receive one than individuals utilizing more formal sources. A similar pattern was reported with regard to those who were hired.

Mencken & Winfield (1998) had explored the advantages and disadvantages of informal and formal recruiting practices in external labour markets. The data was analysed from 1981 Metropolitan Employer-Worker Survey (MEWS). Based on random-digit-dial telephone survey of 2,713 adults, the authors found that quality is a strong motivator than cost for informal recruiting. They had also found that the larger the organization, the less likelihood that it’s hiring managers would site quality of the applicants as an advantage of informal recruiting. Smaller organizations, on the other hand, have fewer resources to devote to screening and thus must rely on the quality advantage of informal recruitment as a ‘screening mechanism’. The findings from the regression analysis also demonstrate the quality of applicants is more salient for hiring managers in the private sector.

Elgin and Clapham (2000) did not investigate applicant reactions to Internet-based recruitment but concentrated on the reactions of recruiters. The central research question was whether recruiters associated different attributes with job applicants with an electronic resume versus job applicants with paper resumes. Results revealed that the electronic resume applicant was perceived as possessing better overall qualifications than the applicants using paper resumes. More detailed analyses further showed that the paper resume applicant was perceived as more friendly, whereas the electronic resume applicant was viewed as significantly more intelligent and technologically advanced.

Galanaki (2002) had conducted a descriptive study on the decision to recruit online, involving 99 UK IT companies whose shares were traded in London Stock Exchange. A survey was carried out, in the form of a postal questionnaire, followed by interview for which 34 companies replied. The author found that the internet agencies provide the company with fewer but substantially better applicants than traditional recruitment agencies.
Table 3.1: General Advantages and Disadvantages of Internet Recruitment and Selection of Employers

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<th>Advantages</th>
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<td>Geographical Spread (CIPD 2005; McDougall 2001; Mohamed et al. 2002)</td>
<td>Higher expectations regarding relocation costs (Brooke 1998)</td>
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<td>Greater chance to find right candidate quicker/greater effectiveness (Galanaki 2002)</td>
<td>Name recognition required (buy banner space etc.) (Baillie 1996, Galanaki 2002)</td>
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<td>Better match workers/vacancies (Freeman 2002)</td>
<td>Number of unqualified candidates (Kaydo and Cohen 1999; Greenberg 1998; IRS Employment review 2005)</td>
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<td>Shift from manual screening to using ‘HRM expertise’ (Bingham et al. 2002, Pin et al. 2001)</td>
<td>Time consuming sifting of application forms (Mitchel 1998)</td>
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<td>Positive effect on corporate image/ up-to-date image (Galanaki, 2002, Pin et al. 2001)</td>
<td>Poor segmentation of the market (Pin et al. 2001)</td>
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<td>Efficiency gains</td>
<td>Transparency of data (Pin et al. 2001)</td>
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<td>Cost saving/saving personnel costs (Pin et al. 2001)</td>
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<td>Inform in more creative ways (Frost1997, Cober et al. 2000)</td>
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<td>Access passive jobseekers (Galanaki2002)</td>
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<td>Target candidates/address niche markets (Galanaki 2002; Pin et al. 2001)</td>
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<td>Reduction of unqualified candidates (Pin et al. 2001)</td>
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<td>More opportunities for smaller companies (Pin et al. 2001)</td>
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Bingham et al. (2002) described a case of Internet innovation in the Washington State Department of Personnel. The Internet allowed for automated application submittal, screening and testing, evaluation, eligibility list placement, and referral for interview. The authors claimed that implementation of the online hiring system will help to hire high-quality, diverse, and readily available job candidates in the shortest possible time.

The study conducted by Connerley, Carlson, & Mecham (2003) on evidence of differences in applicant pool quality addresses the research need by examining the attraction outcome of firms competing head-to-head for recruits for similar positions. This study examined applicants for on-campus interviews with corporate recruiters at a southeastern university from September 1999 to May 2000. Results of an analysis of 391 applicant pools representing 18 different job families suggest that applicant pool quality can vary substantially within and across job families.

A research by Matthews (2006) on the recruitment of law students by the United States Internal Revenue Service described that how by moving up the start date of its campus recruitment efforts it was able to fill jobs more easily and with better quality individuals.

### 3.2.2 WIDER CHOICE OF APPLICANTS

Mencken & Winfield (1998) had explored the advantages and disadvantages of informal and formal recruiting practices in external labour markets. The authors analysed that hiring managers do indeed view the volume of applicants as the central advantage of formal recruiting techniques. Authors had also concluded that employment agencies are seen as having the advantages of both informal and formal recruiting – high quality and large volume. The findings from the regression analysis also demonstrated volume of applicants as more salient for hiring managers in the private sector.

Bartram (2000) presented a snapshot of Internet development as a recruitment and selection medium. He examined the role of the Internet within a traditional recruitment cycle. At the so called “attraction stage,” he wrote, the Internet helps to draw people into a large pool by providing a virtual stage for a job posting.
Freeman (2002) provided a comprehensive overview of labour market changes in the new information economy. He suggested that network and other forms of scale economies will ultimately lead to a few Internet recruitment sites becoming dominant. Freeman wrote, “Internet recruitment has the potential for making its biggest contribution to the labour market by producing better job matches. By diffusing information about jobs widely, the Internet should help break down ‘old boys networks’ and traditional geographic barriers. Someone sitting in an Internet café in a small village in Portugal, for example, can peruse jobs in London or Paris.

Barber (2006) at the Institute for Employment Studies also examined the benefits and challenges of Internet recruiting. Barber noted that access to a wider pool of applicants and promotion of a company’s reputation and brand are frequently mentioned by HR specialists who analyzed the strengths of the e-recruiting.

According to the Pew Internet research reported by NAS insights (2006), about 72 per cent of American adults were online. That translated to over 145 million people. This was a wide audience, and the Internet had proven to be an integral part of employee recruitment because there was no faster, simpler, or more cost effective way to reach thousands of qualified candidates. In fact, 44 per cent of online Americans were looking for information about a job. The Internet allowed employers to reach these candidates 24 hours a day, 7 days a week.

Veger (2006) reviewed Internet recruitment methods and described how they can enhance recruitment performance. According to Veger, job boards and corporate career websites were used frequently by recruiters to post jobs and to search for resumes. Internet recruitment was associated with a broader audience and more accurate and detailed information about applicants. The author emphasized that the benefits of Internet recruiting may differ between organizations due to a variation in corporate strategy and overall recruitment objectives.

Kroustalis (2006) assessed whether applicants can gain a sense of person-organization fit through a recruitment website. The study found that culture-specific pictures on a recruitment website allowed job-seekers to accurately assess organizational culture, while employee testimonials had no such effect.
3.2.3 TIME AND COST TAKEN FOR ACQUIRING APPLICATIONS

The lesser time and lower cost of Internet hiring has been extensively discussed in the literature. Rynes, Bretz, & Gerhart, (1991) conducted a study of college graduates who were on the job market found that, approximately 50 per cent of the students in their sample turned down a site visit invitation due to late timing. The authors also found that delays in replying to job candidates resulted in some individuals eliminating the employer from consideration. Of particular note is that these authors perceived such applicant withdrawal occurred most frequently for the most sought after job candidates.

Smith (1999) had worked upon internet recruiting and conceptualised that internet helped employer’s better target prospective employees. The author mentioned that career web, which small companies may consider expensive, can still be less costly than placing multiple newspaper ads. He reported that employers can purchase a year’s worth of unlimited job listings for a flat rate of about $6,000 to $7,000.

Hays (1999) wrote that use of the Internet expedites and reduces the cost of the recruiting process. Hays maintained that Internet recruiting significantly reduces paperwork, but that the efficiency impact of the innovation is far from certain. Advocating for a wider use of the Internet, the paper suggested that a well-functioning HR department should use a mix of online and traditional hiring strategies with a significant human touch.

Fister (1999) documented two case studies related to Internet recruitment by large corporations: Walgreens and General Electric. In line with the previous literature, the article emphasized three major advantages: quick turnaround, lower cost, and access to a larger pool of applicants.

Cober et al. (2000) also emphasized the lower cost of recruitment associated with Internet. The authors suggested that having a presence on the Internet improves the profile of an organization.
Along similar lines, Cappelli (2001) noted that the payoffs of Internet recruiting could be huge and that estimates suggest that it costs only about one-twentieth as much to hire someone on the Internet as it does to hire that same person via print newspapers and other traditional media. Cappelli also cites a study by Recruitsoft/iLogos Research of 50 Fortune 500 companies that found that the average company cuts about 6 days off its hiring cycle of 43 days by advertising on the Internet instead of newspapers, another 4 days by accepting online applications instead of paper ones, and more than a week by using online screening and processing technologies.

Results of a survey conducted by Hass, Glover, Tucker and Terrien (2001) depicted that construction executives from 18 organizations indicated that the Internet is seen as a valuable tool in recruitment and varies dramatically with respect to labor type. The organizations responded that the greatest benefit for using the Internet, as a recruiting tool includes: increased audience reach (50 percent of surveyed organizations) followed by convenience (28 percent), reduced cost (17 percent), and reduced time 11 percent, respectively. Survey respondents indicated that the most frequent response for improvements in the Internet was improvements in on-line recruiting sites.

Pin et al. (2001) also analyzed e-recruitment tools used in Europe. The study described the historic pattern in the European Internet recruitment market, summarized the changes in recruiting strategies, and discussed opportunities and risks for firms and job-seekers. The authors suggested that the major plus of the e-recruitment was the ability to reduce the duration of the recruitment process due to expedient job posting, faster applicant response, and faster resume processing. Reduced cost of hiring was described as a second major advantage of Internet penetration; access to remote and passive job-seekers, automatic screening of under-qualified applicants and increased opportunities for smaller companies were also presented as advantages of Internet hiring.

Galanaki (2002) had conducted a descriptive study on the decision to recruit online, involving 99 UK IT companies whose shares were traded in London Stock Exchange. The author found that from the factors that influence the company’s decision making, the cost-effectiveness and the high response rate come first,
followed by access to the passive job seeker and the marketing purpose of online recruiting.

The study conducted by Boswell, Roehling, LePine, & Moynihan, (2003) focused on opportunities to meet people and site visit arrangements. In terms of the timeliness of actions taken by an employer during the recruitment process, Boswell and other authors have documented the importance of timely recruitment actions. Their results showed that receiving prompt responses from employers resulted in job candidates having a more positive view of the employer.

Chapman and Webster (2003) in their research conducted a survey on the use of technologies in recruiting, screening, and selection processes for job candidates in USA, found that most organizations implemented technology based recruitment and selection tools to improve efficiency, enable new assessment tools, reduce costs, standardized systems and expand the applicant pool.

A conceptual paper on Managerial challenges of e-recruiting: extending the life cycle of new economy employees by Smith and Rupp (2004), examined the application of technology to recruiting and retaining knowledge workers in an e-commerce, information-intensive environment. The authors reported that e-recruitment as a general process is job specific and offers computer-assisted screening interviews and statistical prediction to aid in reducing recruiting costs, time-to-hire and employee turnover.

Hadass (2004) in his research on the effect of internet recruiting on the matching of workers and employers examined the impact of the spread of online recruiting on the matching of workers and firms. The author had developed a model of recruitment in which job seekers have private information about their qualification for different jobs and firms possess imperfect screening technologies. The implications of the model were empirically examined using personnel data from US-based multinational manufacturing firm with more than 15000 employees. The adoption of Internet recruiting was modelled as reducing application costs to workers and improving screening technology for firms. The reduction in application costs to workers was shown to induce applications from candidates who were relatively less qualified and to decrease the proportion of qualified new hires. He concluded that firms may adopt
Internet recruiting strategies because of the direct reduction in recruiting costs and because of competition among employers for qualified hires.

Based upon the meta-analysis of the research conducted by Chapman, Uggerslev, Carroll, Piasentin, & Jones, (2005) concluded that timely responses from employers were linked to greater applicant attraction to a job with the organization.

Barber (2006) examined the benefits and challenges of Internet recruiting. Barber indicated that the reduced cost of hiring is a leading strength of the Internet, as the average job posting on the Internet costs around £250, compared with £5,000 for a quarter-page ad in a British national newspaper. Barber also cited faster process as another key feature of online recruiting, noting the ease of posting jobs online, completing online application forms, and attaching CVs to emails.

As reported by aqayo research on efficient talent acquisition through e-recruitment (2008), a survey was conducted among several hiring managers at NRG Engineering Pte Ltd.; a consulting company specialized in the Oil and Gas industry, to identify how the E-Recruitment software they used enhanced efficiency of their recruitment activities. All unanimously agreed that using Applicant Tracking Systems (online software) significantly reduced the time spent on each recruitment activity, and additionally smooth the recruitment process.

A research conducted by Verhoeven and Williams (2008) reported on a study into internet recruitment and selection in the United Kingdom. The study discussed the advantages and disadvantages as identified in literature and considers those against the views of employers in UK. It draws its data from a survey through postal questionnaire followed by an administered questionnaire from 83 organizations. The authors found that quarter of UK employers agreed that internet recruitment can be effective, delivering suitable candidates. Furthermore, one out of every five UK employers perceived the tool to be efficient, with only a slightly higher percentage of employers indicating cost-saving and acknowledging that internet recruitment tools are relatively cheap in comparison with more traditional tools.
A survey conducted by Williams (2009) on E-recruitment showed that dwindling recruitment spend was being focused on web-based recruitment at the expense of traditional methods. The survey respondents were made up of 403 Personnel Today readers, of whom 4 per cent were board level directors, 8 per cent were directors, and 62 per cent were department heads or managers. There was a spread of responses from across the UK. A quarter (27 per cent) of respondents was from the public sector, with the remainder from the private sector. Nearly half (46 per cent) of the respondents to the survey, conducted in conjunction with e-recruitment software, said that their overall recruitment budget had decreased. Of those who had cut their recruitment budgets, a quarter (25 per cent) had slashed spending by more than half, while 30 per cent had decreased their budget by between 21 per cent and 50 per cent. The author also reported that online methods proved far more popular, for which two-third (66 per cent) of HR professionals surveyed said that jobs section of their own company websites were used as a recruitment tool for most jobs.

3.3 EMPLOYEE JOB SEARCH BEHAVIOUR

A study by Mau and Kopischke (2001) on Job search methods, job search outcomes and job satisfaction of college graduates, where the authors had shown the comparison of race and sex, had found that there were significant correlation between the number of job search methods used and the number of interviews. The authors suggested that students should use a variety of job search methods rather than rely on a single method.

Weiss and Barbeite (2001) in their research on internet as a job source and job site preference focused on reactions to Internet-based job sites. To this end, they developed a web-based survey that addressed the importance of job site features, privacy issues, and demographics. They found that the Internet was clearly preferred as a source of finding jobs. In particular, respondents liked job sites that had few features and required little personal information. Yet, older workers and women felt less comfortable disclosing personal information at job sites. Men and women did not differ in terms of preference for web site features, but women were less comfortable providing information online.
A field study by Feldman and Klaas (2002), examined the experiences of managers and professionals searching for jobs via the internet. The authors suggested that facility with internet navigation is significantly associated with the amount of general job searching, particularly for those who want to explore job options initially in private without fear of retribution from supervisors. The results also suggested that managers and professionals are more likely to use the internet for job hunting when the geographical scope of the job hunt is wide, when a major salary increase is desired, and when both small and large firms are being considered as potential employers.

Rozelle and Landis (in press-2003) in their research on an examination of the relationship between use of the Internet as a recruitment source and student attitudes gathered reactions of 223 undergraduate students to the Internet as a recruitment source and more traditional sources (i.e., personal referral, college visit, brochure about university, video about university, magazine advertisement). On the basis of the extent recruitment source literature, they classified the Internet as a more formal source. Therefore, they expected that the Internet would be perceived to be less realistic, leading to less positive post-selection outcomes (i.e., less satisfaction with the university). Yet, they found that the Internet was seen as more realistic than the other sources. In addition, use of the university web page as a source of recruitment information was not negatively correlated with satisfaction with the university. According to Rozelle and Landis, a possible explanation for these results is that Internet recruitment pages are seen as less formal recruitment sources than, for example, a brochure because of their interactivity and flexibility.

Dineen, Ash, and Noe (in press-2003) examined another aspect of web-based recruitment, namely the possibility to provide tailored online feedback to candidates. In this experimental study, students were asked to visit the career web page of a fictitious company that provided them with information about the values of the organization and with an interactive “fit check” tool. In particular, participants were told whether they were a “high” or a “low” fit with the company upon completion of a web-based person-organization fit inventory. Participants receiving feedback that indicated high P-O fit were significantly more attracted to the company than
participants receiving no feedback. Similarly, participants receiving low fit feedback were significantly less attracted than those receiving no feedback.

A study conducted by Rooy, Alonso and Fairchild (2003) compared the number of jobs found as well as the perceptions toward job search tools when employing internet-based tools versus traditional tools (e.g., print media). The authors assigned sixty participants randomly to one of five search tools (i.e., Monster.com, Hotjobs.com, General Internet, Open, and Print Media Searches) and instructed to search for job openings in the accounting industry. Results indicated that the number of jobs found were clearly greater in the internet-based conditions than in the traditional search condition and impressions of the job search method were positively related to the perceived quality of information gathered and perceptions of job search success.

A research on Internet job search and unemployment durations by Kuhn and Skuterud (2004) had tried to find out which types of unemployed workers looked for work online and whether internet searchers became re-employed more quickly. The data was gathered from December 1998 to August 2000 CPS computer and internet supplements. The authors concluded that internet job search is more common among workers with observed characteristics that are usually associated with faster re-employment and internet job search does speed re-employment. The authors pointed out that, internet job search might significantly improve search outcomes on dimensions such as job quality that they had not measured in their research.

Fountain (2005) in his research on finding a job in the internet age had established the rise of the internet as a job-search strategy and assess whether searching online increased the short-term probability of finding a job. The sample for his study was a representative of about 50,000 U.S. households (members over age of 15) conducted monthly by the U.S. census bureau for the Bureau of Labor Statistics. The author matched micro-data files from the December 1998 and August 2000. The results suggested that internet’s contribution to an unemployed searcher’s information pool may afford a small advantage only to the extent that other job searchers are not using it; the author interpreted these estimates because the coefficient for the interaction between year and searching online showed that the payoff to internet searching was significantly different in 2000 than in 1998.
Jansen, Jansen and Spink (2005), gave implications for online job seeking and recruiting in their paper on using the web to look for work. The authors focused upon three specific research questions: how do people search for job-related information on the web? How effective are these searches? And how likely are job seekers to find an appropriate job posting or application? The data used to examine these questions come from job seekers submitting job-related queries to a major web search engine at three points in time over a five-year period. Results of their study indicated that individuals seeking job information generally submit only one query with several terms and over 45 percent of job-seeking queries contained a specific location reference. Of the documents retrieved, findings suggested that only 52 percent were relevant and only 40 percent of job-specific searches retrieved job postings.

A research by Borstorf, Marker, and Bennett (2005) on online recruitment investigated the perception and behavior of job seekers concerning the use of the Internet as a recruiting source. They found citizens to be more comfortable with online recruitment and used it more frequently than did non-citizens. Older applicants and those with work experience also applied more often and made more job searches. Minorities applied more frequently for job online than did whites. They also found no differences in gender and online recruitment behavior or attitudes.

Ng and Burke (2006) in their study on the next generation at work explored the views, career expectations, and job search behaviors among a sample of business students. The authors conducted a field survey involving 20,771 students across Canada to understand the views of university students on jobs, organizations, careers and perception of their organizations. The study using multiple regression analysis found that cooperative students appear to have more realistic expectation, have better insights into their own abilities and desires, and report higher self-confidence. It also reported that the respondents had low expectations that their campus career offices would get them a job, and expected to use the internet more frequently in their job searches. This suggested a shift away from traditional recruitment mediums to more contemporary approaches such as internet.
A study by Braddy, Meade and Kroustalis (2006) on organizational recruitment website effects on viewers' perceptions of organizational culture identified aspects of recruitment websites that may give rise to job seeker’s perceptions of organizational culture. Results indicated that both website design features and information about organizational values, policies, awards, and goals affected viewers' perceptions of organizational culture.

Breaugh (2008) had discussed employee recruitment and its important areas for future research, where he had reviewed research on recruitment topics that have received considerable attention (e.g., recruitment methods, realistic job previews). He had also addressed topics (e.g., targeted recruitment, the site visit) that have received relatively little attention but that have the potential to be quite important. The author had found that many job applicants: (a) have an incomplete and/or inaccurate understanding of what a job opening involves, (b) are not sure what they want from a position, (c) do not have a self insight with regard to their knowledge, skills, and abilities, and (d) cannot accurately predict how they will react to the demands of a new position.

A study of e-recruitment technology adoption in Malaysia by Tong (2008) examined the employed jobseekers’ perception and behaviors of third-party e-recruitment technology adoption, using the validated modified Technology Acceptance Model (TAM) without the attitude construct as the core research framework. The author identified Perceived Privacy Risk (PPR), Performance Expectancy (PE), Application-Specific Self-Efficacy (ASSE), and Perceived Stress (PS) as key external variables that formed the research model for the study. The findings of the study suggested that e-recruiters should maintain an easy to use e-application blank format for job seekers, implied that employed job seekers preference on using e-recruitment was to survey for job market value, implied that one method to spread the e-recruitment technology fast would be by word-of-mouth among the users who have been successfully recruited adopting this technology and the jobseekers do had high expectation of being spotted by e-recruiters when applying for jobs.

WEDDLE’s 2008 source of employment survey ran from March 2007 to March 2008, generated responses from more than 15,600 individuals. The respondents were 65 per cent male and 35 per cent female; had a median age range of 40 to 45.
WEDDLE’s asked site visitors about where they found their last job and where they expect to find their next job in order to pinpoint which job search methods work best in today’s economic climate and are likely to work best in the future. Results revealed that ad posted on an Internet job board was the highest ranked source that has also increased from 7.6 per cent in 2007 to 13.3 per cent in 2008. The survey also reported that 19.0 per cent respondent will look for their next job on ad posted on an Internet job board which was the highest response rate as compare to other sources.

The study by Singh and Narang (2008) examined the perceptions of job seekers about e-recruitment and their behavior towards them. The authors found that monster.com and naukri.com were the two most popular job boards, and chat groups were the leading source of information about job openings. A large percentage of the respondents frequently visited job boards or corporate websites, used certain facilities offered by them, and checked the status of their applications submitted online. They reported that majority of the survey participants hold positive perceptions about various aspects of web recruitment. However, the respondents were more inclined towards using corporate websites, rather than job boards, for sending job applications.

A research paper on effectiveness of corporate employment web sites – how content and form influence intentions to apply written by Birgelen, Wetzel and Dolen (2008) attempted to investigate how potential job applicants’ evaluations of web site content- and form-related attributes contribute to corporate employment web site effectiveness. The authors conducted an empirical study among 199 final-year university students and recent university graduates through computer laboratory setting and a questionnaire. They used Partial Least Square estimates for both the measurement and structural parameters of structural equation model as a research tool. The authors found that attitude toward the corporate employment web site were significantly and positively influenced by perceived relevancy of the career information, career information accuracy, career information timeliness, and the ease of using the recruitment web site. They also found that attitude toward the corporate employment web site positively contributes to the level of applicant
attraction toward the organization. Finally, they reported that organizational attraction had a positive effect on intentions to apply at the organization.

Stevenson (2008) explored how the frequency and characteristics of job search activity have changed since the emergence of the Internet. The study found that the Internet had induced significant expansion of job search methods used by the unemployed. In addition, the Internet had caused reallocation of search efforts among various job search activities. She found that the unemployed were more likely to have looked at ads and to have contacted an employer directly. She also found evidence that the unemployed were becoming more discriminating about the jobs to which they submit an application, as the Internet enabled them to better target specific positions. The paper suggested that the overwhelming majority of job-seekers who used the Internet to collect information about specific positions and employers of interest were those who were already employed; compared with the unemployed, currently employed workers were better able to assess opportunities in the marketplace, and the Internet had a role in this process.

1368 students and graduates were surveyed on their experiences of online applications, for the GTI online recruitment student user survey 2009. The questionnaires were sent online and comprised seven pages of quick to answer questions. 667 completed the questionnaires in full (55 per cent) while 1027 provided partial responses. The results highlighted that systems are now generally recognised as the mainstream way of making an application and that applicants are skilled in their use. The majority of comments were positive. When asked what they liked, students mentioned speed, convenience/cost-effectiveness, fairness and presentation.

The literature on the Internet and search outcomes is rather limited and findings are somewhat mixed. As reported earlier, Kuhn and Skuterud (2002, and 2004) and Kroft and Pope (2008) indicated that the Internet is not associated with improved probability of re-employment. However, Fountain (2005), Stevenson (2006, 2008), and Bagues and Labini (2007) found a positive relationship between Internet use and labour market outcomes. These results need to be treated with a caution, as it looks as though results are very sensitive to outcome variable, model selection, and specification. Furthermore, almost all studies are focused on the U.S. labour market.
and use the CPS Internet Supplement, which is a cross-sectional dataset. This leaves a large area for further empirical investigation. This research intends to partially fill that area by developing and estimating models on the relationship between use of the Internet in job search and labour market outcomes.

The review of literature on e-recruitment brings forth the paucity of empirical studies especially in Indian context. A review of current literature indicated that the use of the Internet and thus Internet technology is changing (Kinder 2000), transforming (Piturro 2000; Searle 2003; Veger 2006) and revolutionising (Hansen 1998) the way in which human resource departments recruit job candidates. Nevertheless, very limited research has been carried out in this area to date.

3.4. ISSUES EMERGING FROM REVIEW OF LITERATURE

From the above literature review, the following pertinent issues emerge:

(i) With the internet, all types of jobs and employees could be easily found and acquired to fill specific needs (Kumar, 2003).

(ii) Internet recruitment improves corporate image, reduces recruitment cost, reduces administrative burden and employs better tools for the recruitment team (Kerrin, 2005).

(iii) Internet can assist employees in finding employment opportunities faster and easier than ever before (Kerrin, 2005).

(iv) Web sites are viewed as a very effective recruitment method and are perceived as generating a large number of job applicants at relatively low cost (Chapman, et. al., 2005; Stone, et. al., 2005).

(v) With the introduction of the internet, the recruitment process has become easier (Verhoeven and Williams, 2008).

(vi) Complexity and the dynamic nature of recruitment practices require continuous updation of knowledge, skills and abilities.

(vii) Recruitment practices differ in different organizations classified based on organization type, size etc.

(viii) Better recruitment practices have impact on image of the organization and ability to fill the vacancies more promptly.
(ix) In service sector- recruitment and retention have been acknowledged to be problematic and increasingly a response has been to “cast the net more widely” (Reynolds and Brue, 1998).

(x) Most customers who defect from a service business “blame indifferent or unhelpful employees” (Schlesinger and Heskett, 1991).

3.5 CONCEPTUAL MODEL

It is argued that e-recruitment is not something which is to be adopted because it is fashionable. It is a viable way to help organisation grow and make a pool of talent. For this, it is necessary that from evaluating the recruitment activities recruiters must move towards evaluating results.

Absence of clearly defined recruiting strategy will lead to a situation where ‘recruitment practice’ is relegated to the outskirts of the organisational mainstream and suffers from a perennial expectation of perphrality. This precarious situation will have clear negative impact on resource utilized, perceived importance of e-recruitment practices and also of employee job search behaviour. These issues are investigated in detail in the present study. Conceptual scheme is visually represented in Figure 3.1.

![Conceptual Model](image-url)

**Figure 3.1: Conceptual Model**
3.6 FORMULATION OF HYPOTHESES

Drawing on the existing conceptual and empirical framework, the present study attempts an empirical examination of the comparative analysis of e-recruitment practices and their relationship with perceived importance of quality, resources utilized and providing wider choice among top management and employees. The Hypotheses of the study are:

1. There is a significant difference about perceived importance of advantage, effectiveness, information and efficiency of e-recruitment between Hospitality and Healthcare Services; Small and large scale organizations; HR Managers and employees.

2. Advantage, effectiveness, information and efficiency of e-recruitment have significant impact on suitability, talented database, and targeting right people at all three levels.

3. Advantage, effectiveness, information and efficiency of e-recruitment have significant impact on annual cost, external cost, overall time, processing applications and recruitment cycle time at all three levels.

4. Advantage, effectiveness, information and efficiency of e-recruitment have significant impact on entrants, international candidates, accessibility of candidates, and qualified pool at all three levels.

5. Among employees, HR managers and general managers/other senior managers, there is a significant difference in perceived importance of suitability, talented database, and targeting right people; annual cost, external cost, overall time, processing applications and recruitment process time; entrants, international, accessible, and qualified pool.

In this chapter review the relevant literature and the empirical studies has been conducted, based on which the hypotheses have been formulated. The next chapter outlines the methodology adopted in the present study.