UNIT 5 : RECRUITMENT

UNIT STRUCTURE

5.1 Learning Objectives
5.2 Introduction
5.3 Meaning of Recruitment
5.4 Importance of Recruitment
5.5 Recruitment Process
5.6 Factors Influencing Recruitment
5.7 Sources of Recruitment
5.8 Recruitment Methods
5.9 Essentials of a Good Recruitment Policy
5.10 Role of Supervisor in Recruitment
5.11 Let Us Sum Up
5.12 Further Readings
5.13 Answers to Check Your Progress
5.14 Model Questions

5.1 LEARNING OBJECTIVES

After going through this unit, you will be able to-

- explain the meaning and nature of recruitment
- describe the importance of recruitment
- explain the steps of recruitment process
- describe the factors that affect recruitment
- describe the sources of recruitment
- distinguish between internal and external sources
- discuss the methods of recruitment
- explain the essentials of a good recruitment policy.

5.2 INTRODUCTION

In the unit we are going to discuss about recruitment. You are aware that, no organisation can run on its own without any human resource. The

functions of any organisation can not be run without human resource. Machine can not perform its functions automatically. So, human resources are the most important resource for an organisation. All other resources need the human resource to run and use them.

Acquisition of human resource is a challenging task in any organisation as its success or failure depends on the quality of human resources recruited. There are different steps involved in the process of recruitment and each step is crucial to select the most suitable employees for the organisation.

Let us discuss in detail the different aspects of recruitment in the following sections-

5.3 MEANING OF RECRUITMENT

Recruitment is the first step in the process of filling a vacancy. Some people use the term recruitment as employment. These two are not one and the same. Recruitment is only one of the steps in the entire employment process.

Once the required number and kind of human resources are determined, the management has to find the places where required human resources will be available and how to attract them towards the organisation. This process is generally known as recruitment.

Recruitment is the generating of applications or applicants for specific positions to be filled up in the organisation. In simple terms 'Recruitment is a process of searching for and obtaining applicants for job so that the right people in right number can be selected.'

Definition :

In the words of Werther and Dovis, 'Recruitment is the process of finding and attracting capable applicants for employment. The process begins when new recruits are sought and ends when their applications are submitted. The result is a pool of applicants from which new employees are selected.'

Flippo has defined recruitment as 'a process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organisation.'

According to Dale Yoder. 'Recruitment is the process to discover the

sources of man power to meet the requirement of the staffing schedule and to employ effective measures for attracting that man power in adequate numbers to facilitate effective selection of an efficient workforce.'

Thus, recruitment can easily be defined as the process of searching for and securing applicants for the various job positions which arise from time to time in the organisation.

5.4 IMPORTANCE OF RECRUITMENT

The general purpose of recruitment is to provide qualified candidate to the organisation. To be specific, recruitment is important because of the following reasons-

- Determine the present and future requirements of the firm in connection with its human resource planning and job analysis activities.
- Increase the pool of job candidates at minimum cost.
- Recruitment helps to meet the organisation's legal and social obligations regarding the composition of its work force.
- Recruitment identifies and prepares potential job applicants.
- Recruitment increases organisational and individual effectiveness in the short- term and long- term.
- It evaluates the effectiveness of various recruiting techniques and sources for all types of job applicants.

Recruitment connects the organisation with the potential employees. It is through recruitment that many individuals will come to know about an organisation, and eventually decide whether they wish to work for it. A well-planned and well-managed recruiting effort will result in high-quality applicants, whereas an unplanned or haphazard process will result in poor quality staff. High-quality employees cannot be selected when better candidates are not interested in working for company and do not apply. The recruitment process should be able to attract qualified individual about employment opportunities that create a positive image for the company, provide enough information about the job so that applicants can make comparisons with their quilifications and interest, and generate enthusiasm among the best candidates so that they will apply for the vacant position.

Recruitment lands itself as a potential source of competitive advantage to a firm. An effective approach to recruitment can help a company successfully compete for limited human resource. The firm must choose a recruiting approach that produces the best pool of candidate quickly and cost effectively. A recruiting programme helps the firm in four ways-

- Attract highly qualified and competent people.
- Ensure that the selected candidate stay longer with the company.
- Make sure that there is match between cost and benefits.
- Help the firm create more culturally diverse workforce.

The negative consequences of poor recruitment process may prove disastrous for the firm. The failure to generate an adequate number of reasonably qualified applicants can prove costly in several ways. It can complicate the selection process and may result in lowering of selection standards. The poor quality of selection means extra cost on training and supervision.

5.5 RECRUITMENT PROCESS

Recruitment is the process of identifying right candidates for job available in an organisation. Accordingly, the recruitment process comprises the following steps-

i) Recruitment planning
ii) Strategy development
iii) Deciding the source of recruitment
iv) Attracting the candidates
v) Screening
vi) Evaluation.

i) Recruitment Planning : The very first step of recruitment process is planning. Recruitment planning involves designing a comprehensive job specification for the vacant position, and specificing its major and minor responsibilities, the technical skills and qualifications needed, amount of salary to be paid. Condition of the job ie. temporary or permanent and any special terms and conditions attached to the job to be filled.

ii) Strategy Development : Once the number of candidates and their qualifications are decided the next step involved in this regard is to devise

a suitable strategy for recruiting the candidate in the organisation. Strategic planning in recruitment process include what type of recruitment method to be used, geographical area to be considered and what sequence of activities to be followed in recruiting candidate in the organisation.

iii) **Deciding Sources of Recruitment :** After job analysis and job specification, every possible source should be considered. The various sources are–

a) Company's existing staff (Promotion)
b) Competitive organisation
c) Educational Institute
d) Employment exchange
e) Advertisement
f) Casual applicant
g) Recommended candidates.

iv) **Attracting the candidates :** At this stage some technique are to be developed to attract as many candidate as possible to apply for the job. Advertisement may help a lot in stimulating candidate to apply. Attractive salary package, incentives, scope for career advancement etc. may be highlighted to attract the most competent and skilled candidates.

v) **Screening :** Screening means critical evaluation. Screening is the starting point of recruitment. Applications are shortlisted on the basis of eligibility and suitability. Only screened applicants are invited for written examination and interview.

Job specification is invaluable in screening application. Applications are screened against the qualification, knowledge, skills, abilities, interest and experience mentioned in the job specification. Those who are not qualify are straight way eliminated. The technique used for screening candidate vary depending upon the source of recruitment and methods uses for recruiting.

vi) **Evaluation :** Entire recruitment process involve cost, its evaluation and control therefore imperative. The costs generally incurred include–

a) Salary of recruiter.
b) Costs of time spent for preparing job analysis, advertisements etc.

c) Administrative expenses.

d) Cost of outsource.

e) Costs incurred in recruiting unsuitable candidate etc.

All these expenses are evaluated to get the correct amount of expenditure incurred in the entire recruitment process.



CHECK YOUR PROGRESS

Q 1: Mention two importance of recruitment.

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Q 2: State the steps of recruitment process.

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5.6 FACTORS INFLUENCING RECRUITMENT

Considering its key role and external visibility, recruitment is naturally subject to influence of several factors. These include external as well as internal factors.

Factors Affecting Recruitment

External Factors	Internal Factors
● Supply and Demand of Labour	● Image of the organisation
● Unemployment rate	● Recruitment policy
● Labour market	● Legal Consideration
● Size of the firm	

External Factors :

- **Supply and Demand :** If the supply of a specified skilled labour is low and demand is high then an extra ordinary recruitment effort may be needed. For example the demand for programmers and financial analysis is likely to be higher than their supply as opposed to the demand-supply relationship for non-technical employees.

- **Unemployment Rate :** The rate of unemployment is another external factor that influence the recruitment process. When the unemployment rate in a given area is high, the recuitment process tends to be simpler. The reason is that the number of applicants is expectedly very high which makes it easier to attract the best qualified applicants. The reverse is also true with a low rate of unemployment, recruiting process tends to become difficult.
- **Labour Market :** Labour market conditions i.e. supply and demand of labour is of particular importance in effecting recruitment process. For example, if the demand for a specific skill is high relative to its supply, recruiting employees will involve more efforts. On the contrary, if supply is more than demand for a particular skill, recruitment will be relatively easier.
- **Legal Considerations :** Another external factor is legal consideration with regard to employment. Reservation of jobs for the schedule caste, schedule tribe and other backward class are the examples of such legal consideration.
- **Labour Laws :** There are several labour laws and regulations passed by the central and state governments that govern different types of employment. These covers working conditions, compensation, retirement benefits, health and safety of employees in industrial undertakings.

Inter Factors :

- **Image of the organisation :** Image or reputation of an organisation is an internal factor having its influence on the recruitment process of the organisation. Good image of the organisation helps to attract potential and competent candidates. Managerial actions like good public relations, rendering public service like building roads, public parks, hospitals and schools help to earn goodwill for the organisation. That is why highly reputed company attract large number of applicants.
- **Recruitment Policy :** The recruitment policy of an organisation i.e. recruiting from internal source and from external source also effects recruitment process. Generally, recruiting through internal sources is

preferred, because own employees know the organisation and they can fit well into the organisational culture.

- Size of the firm : The size of the firm is an important factor in recruitment process. If the organisation is planning to increase its operations and expand its business, it will think of hiring more personnel, which will handle its operations. Experience suggests that large organisations recruit more candidate than small ones. Large organisations find recruitment less problematic than small organisation.

5.7 SOURCES OF RECRUITMENT

Before an organisation actively begins to recruit applicant it should consider the most likely sources of the type of employees it needs. Some companies try to develop new source while most of the organisation tries to tackle the existing source they have. The sources are accordingly classified as internal and external source. Management considers several variable in deciding on the extent to which they will depend on inside and outside sources.

Sources of Recruitment

Internal Source
- Present Employee
- Promotion
- Former Employee
- Previous Applicants

External Source
- Advertisement
- Employment Exchange
- Placement Agencies
- Educational Institutions
- Trade Unions
- Similar Organisation
- Unsolicited Applicants
- Gate Recruitment
- Professional Organisation
- Data Banks

Let us discuss these sources-

Internal Sources

- **Present Employees :** Promotions and transfer from among the present employees can be a good source of recruitment.
  - **a) Transfer :** Transfer involves shifting of persons from present jobs to other similar places. These do not involve any change in rank, responsibility and prestige, the number of persons do not increase with transfers but vacant posts may be attended to.
  - **b) Promotions :** Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more salaries. The higher positions falling vacant may be filled up from within the organisation. Promotion does not increase the number of persons in the organisation. A person going to get a higher position will vacate his present position. Promotion motivate employees to improve their performance so that they get promotions to higher positions.
- **Employee Referrals :** Employee referrals can be a good source of internal recruitment. Employees can develop good prospects for their families and friends by acquainting them with the advantages of a job with the company furnishing letters of introduction and even encourage them to apply. This source is usually one of the most effective methods of recruiting because many qualified people are reached at a very low cost to the company. In an organisation with a large number of employees, this approach can provide quite a large pool of potential organisational members. Most employees known from their own experience about the requirements of the job and what sort of persons the company is looking for.
- **Former Employees :** Former employees are another internal source of recruitment. Some retired employees may be willing to come back to work on a part time basis or recommend someone who would be interested in working for the company. Sometime, people who have left the company for some reason are willing to come back and work.
- **Previous Applicants :** Although not an internal source in the true sense,

those who have previously applied for jobs can be contacted by mail. This is quick and an inexpensive way to fill up a vacancy. This is a very suitable method for filling the professional openings.

External Source of Recruitment

- **Advertisement :** It is a very important and popular source of generating manpower. Companies advertise in widely circulated newspapers. Information about the company, the job and job specifications are included in the advertisement to attract suitable candidate to apply for the job.

  Employment News is leading Government publication which serves as a source of recruitment. Sometime, advertisements are placed in magazine read only by particular groups. For example, Date quest for computer professional, Business today for management etc.

  Advertisement in newspaper is the most widely used method for attracting qualified and experienced personnel. When qualified and experienced persons are not available through other sources, advertising in newspapers and professional and technical journals are resorted to.
- **Employment Exchange :** Employment exchanges established in various cities as per public policy another important source of recruitment. They maintain seperate database for non-graduates graduate and post-graduate. In our country it is obligatary for the government departmants and PSUs to notify the vacancies to the local employment exchange and they disseminate the information to the candidates meeting the basic qualification requirement.
- **Placement Agencies :** Some agencies and associations are established to supply candidates in terms of the requirements. The companies intimate their requirements to them who forward a panel of suitable candidates for recruitment. This is a good source of recruitment especially for professional and managerial positions.
- **Educational Institutions :** Some companies make special efforts to establish and maintain constructive relationship with educational

institutions so as to get the suitable and qualified manpower. Such companies conduct campus interviews in Indian Institute of Technology (IITs), Indian Institute of Management (IIMs), Tata Institute of Social Science (TISS) etc for different jobs. In order to provide incentives, some companies select the students from the final year. For instance, Indian Navy selects candidate for technical branches from pre-final engineering students of IITs.

- **Trade Unions :** Generally, unemployment and underemployed persons make a request to trade union leaders for finding suitable jobs for them. These leaders can help in the recruitment of suitable persons. In some organisations trade unions are consulted before starting recruitment process for certain categories of employees. In such situations trade union leaders can give the name of persons available for recruitment.
- **Similar Organisations :** The organisations producing similar products or having the same line of business act as an important source of recruitment. The persons having same experience are required by the recruiting firms will be available in similar organisations. This would be the most effective source for executive positions and nearly established or diversified and expanded organisation.
- **Unsolicited Applicants :** Persons in search of employment may contact employers through telephone, by post or in person. Generally, employees with good reputation get unsolicited applications. If an opening is there or is likely to be there then these persons are considered for such jobs. Personnel depertment may maintain a record of unsolicited applications. When suitable jobs for these persons are available they are considered for employment.
- **Gate Recruitment :** Unskilled workers may be recruited at the factory gate in some industries like, jute where a large number of workers work as badli or substitute workers. They may be employed whenever a permanent employee is absent. More efficient among these badli workers may be recruited to fill permanent vacancies. A notice on the notice board of the company specifying the details of the job. Such recruitment

is called direct recruitment. It is a very economical method and used mainly for unskilled and causal job vacancies.

- **Professional Organisation :** Professional organisations maintain complete bio-data of their member and supply it to companies on demand. These organisations also act as employment exchange between the members and recruiting firms. Firms can seek clarification and clear doubt about persons they want to recruit. This source of recruitment is found reliable for recruiting persons at middle and upper level of management.
- **Data Banks :** The recruiting firm can prepare data bank about various persons in diferent fields. They collect information from educational institutions, employment exchanges, professional organisation etc.

5.8 RECRUITMENT METHODS

Recruitment methods refer the way to which an organisation reaches to the potential job seekers. It is important to mention that the recruitment methods are different from the sources of recruitment. The major distinction between the two is that while the former is the means of establishing links with the prospective candidates, the latter focuses on locating the prospective employees.

Recruitment methods are classified into three categories

- Direct Method
- Indirect Method
- Third Party Method
- **Direct Method :** In this method, the representatives of the organisation are sent to the potential candidate in the educational and training institutes. They establish contacts with the candidate seeking jobs. These representative work in cooperation with placement cells in the institutions and persons pursuing management, engineering, medical etc. programmes are mostly picked up in this manner.

Sometime, some employers establish direct contact with the educational institutes to know about students of excellent academic records.

Sending the recruiter to the conventions, seminars, setting up exhibition at fairs and using mobile office to go to the desired centers are some other methods used to establish direct contact with the job seekers.

Indirect Method :

Indirect methods include advertisements in news papers, radio and television, in professional journals, technical magazines etc. The method is useful when–

i) Organisation does not find suitable candidate to be promoted to fill up the higher posts;

ii) When the organisation wants to reach out to a vast territory; and

iii) When organisation wants to fill-up scientific professional and technical jobs.

Most of the organisation prefer to fill up their higher position internally and lower and middle level positions through appointing new staff. Sometimes, many organisations go for what is referred to as blind advertisement in which only Box No. is given and the identity of the organisation is not disclosed. However, organisations with regional or national repute do not usually use blind advertisements. While placing an advertisement, following points should be considered-

First, to visualise the type of the applicant one is trying to recruit.

Second, to write out the list of advantage the job will offer.

Third, to decide where to run the advertisement i.e. newspaper, local, national or international reach.

Third Party Method : These include the use of private employment agencies, management consultants, professional bodies/associations, employee referral/recommendations, trade unions, date banks, labour contractors etc to establish contact with the job seekers.

Which particular method is to be used to recruit employees in the organisation depends upon the policy of the particular firm, the position of the labour supply, the Government regulations in this regard and agreement with labour organisation. Out of all methods of recruitment best one will be selected by the organisations.

Distinction Between Internal and External Sources

Internal sources of recruitment can be distinguished from external sources as follows :

Basis	Internal	External
1. Meaning	It involves rearch of personnel from within the organisation.	It involves finding candidates from outside the organisation.
2. Economy	Internal source proves to be cheaper as it does not involve any cost.	External source is costly as it involves a long process.
3. Time involved	It is less time consuming.	It consumes more time.
4. Scope of choice	Choice of candidate is limited.	External source offers wider choice.
5. Impact on staff	The existing staff is motivated to improve their performance.	The existing staff feels dissatisfied if external sourcess are used.
6. Suitability	It is not suitable for newer types of job.	For newer type of jobs condidates might be recruited from external sources.

5.9 ESSENTIALS OF A GOOD RECRUITMENT POLICY

A good recruitment policy should be based on the following principles :

1. **Centralisation :** Recruitment of personnel for the whole organisation should be centralised. The personnel of HR department may be charged with the responsibility.

2. **Clear Policy :** Both the internal and external sources of recriutment should be given due importance. It should be clearly stated whether the existing employees would be given any preference in filling up the higher vacant posts and if so at what basis.
3. **Comparative Policy :** In establishing the recruitment policy for the organisation, the policy followed in similar organisations and government undertakings should be considered.
4. **Statutory Provisions :** Statutory provisions regarding recruitment of personnel should also be given proper consideration.
5. **Flexibility :** The recruitment policy should be flexible so that it can be amended suitably to achieve the organisational objectives.
6. **Consistency :** The recruitment policy should be within the framework of HR policy and organisational policy.
7. **Proper Qualifications :** The qualifications of the applicants should match the job description and job specifications.
8. **Merit :** Merit should be the basis of recruitment and other conditions like friendship, relations etc. should be ignored.

5.10 ROLE OF SUPERVISOR IN RECRUITMENT

Supervisor most often assist the human resource function and training. Supervisor may perform job training with the new or existing employee. Supervisor assign duties to the employes, explaining how their duties are to be done. Supervisor is one of most senior in the staff at the place of work. An employee is a supervisor if he has the power and authority to do the following actions.

i) Give instructions or orders to subordinate.

ii) Be held responsible for the work and actions of other employees.

A supervisor is responsible for the productivity and action of a small group of employees. The supervisor has served managers like, role, responsibilities and power. Two of the key differences between a supervisor and a manager as–

1. The supervisors does not typically have hire and fire authority.
2. The supervisor does not have budget authority.

Supervision is an ongoing process which includes two way

communication to achieve the dual purposes of institutional and staff members development. The role of supervisor may be discussed as under-

a) **Consideration :** This relates to the supervisors activities in providing a satisfactory work environment to the way he/ she treats the employees on a day to day basis. When the job requires that the supervisor interacts frequently with his subordinates, it is important that the supervisor be supportive. It should also be noted that :
   i) Happy workers put more efforts on their jobs.
   ii) Consideration reduces frustrations and therefore reduces barriers to production.
   iii) Consideration is a reward for productivity.
   iv) Consideration may strengthen the effort- performance relationship.

b) **Establishing performance standards :** Performance standards may be qualitative or quantitative. They may be set arbitrarily by the supervisor, through group discussion. New standards may be set every few minutes or on long- term basis. Regardless of how these standards are set, it is important that subordinates know what they are expected to accomplish.

c) **Work redesign :** Work redesign can be an effective tool for improving both the quality of work experience of employees and their on-the-job productivity. Work redesign refers to any activities that involve the alteration of specific jobs with the intent of increasing both quality of work experience of the employees and their productivity. It includes such terms as job rotation, job enrichment.



5.11 LET US SUM UP

In this unit, we have discussed on the following concept and aspects of recruitment :

- Acquisition of human resource is a challenging talk in any organisation as its success or failure depends on the quality of human resources recruited.
- Recruitment is a process of searching for and obtaining applicants for job, so that the right people in right number can be selected.
- The recruitment process comprises the following steps–
  (i) Recruitment planning (ii) Strategy development (iii) Deciding the

source of recruitment (iv) Attracting the candidate (v) Screening (vi) Evaluation.

- Recruitment is influenced by several external and internal factors. External factors include : Supply and Demand of labour, Unemployment rate, Labour market, Size of the firm etc. And internal factors include: Image of the organisation, Recruitment policy, Legal Consideration etc.
- The sources of recruitment are classified into internal and external sources. Internal sources are Present Employee, Promotion, Former Employee and Previous Applicants. Where as external Sources includes : Advertisement, Employment Exchange, Placement Agencies, Educational institutions, Trade Unions, Similar Organisations, Unsolicited Applicants, Gate Recruitment, Professional Organisation, Data Banks etc.
- Recruitment methods are classified into three categories : Direct Method, Indirect Method and Third Party Method. The particular method to be used to recruit employees in the organisation depends upon the policy of the particular firm, the position of the labour supply, the Government regulations in this regard and agreement with labour organisations.



CHECK YOUR PROGRESS

Q 3: State two external factors affecting recruitment

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Q 4: Mention two internal Sources of recruitment

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Q 5: State the three categories of recruitment methods

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5.12 FURTHER READINGS

1) Khanka S. S. (2008) Human Resource Management, New Delhi S Chand & Company.

2) Aswathappa K (2012) Human Resource Management Mc Growhills.

3) Pattanayak Biswajeet (2006) Human Resource Management Prentice Hall of India Pvt. Limited New Delhi.

4) Pathak R. K. Human Resource Management (2013) Ashok Book Stall.



5.13 ANSWERS TO CHECK YOUR PROGRESS

Ans. to Q. No. 1

(a) Increase the pool of job candidates at minimum cost.

(b) Recruitment identifies and prepares potential job applicants.

Ans. to Q. No. 2

(i) Recruitment Planning (ii) Strategy Development (iii) Deciding the source of recruitment (iv) Attracting the candidates (v) Screening (vi) Evaluation

Ans. to Q. No. 3

(i) Supply and Demand of Labour (ii) Unemployment Rate

Ans. to Q. No. 4

(i) Present Employee and (ii) Promotion

Ans. to Q. No. 5

(i) Direct Method (ii) Indirect Method and (ii) Third Party Method



5.14 MODEL QUESTIONS

Q 1: Define recruitment.

Q 2: State the importance of recruitment for an organisation.

Q 3: Discuss the various steps in recruitment process.

Q 4: Discuss various factors affecting recruitment.

Q 5: What are the different sources of recruitment?

Q 6: Distinguish between internal and external sources of recruitment.

Q 7: Explain the various methods of recruitment.

Q 8: Describe in brief the essentials of a good recruitment policy.

Q 9: Discuss the role of supervisor in recruitment.

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