



Reviewing Corporate Recruitment, Retention and Training Strategies

KEYWORDS

Recruitment, Retention, Training, Return on Investment, Evaluation, Review, Effectiveness

Prof. Jasbir Kaur Sodi

Department of Commerce, H.R.College of Commerce and Economics, 123, Dinshaw Wachha Road, Churchgate, Mumbai-20

ABSTRACT Organizational success largely depends upon having the right people, with right attitude and with the potential which are maintained throughout. There is a need for adoption of more sophisticated approach on part of the employers in linking its strategic recruitment, training and retention processes with its core business strategies. Attracting, Recruiting and Retaining the desired employee has been the greatest challenge in the present talent management scenario. Employers are faced with lots of difficulties in recruitment, training and retention practices of human resource. Ineffective recruitment practices increases the cost when the employee with the required skills and attitude are not appointed and preferences are given to the qualifications then the potential. Many a times absence of important skills results into increased employee dissatisfaction and hence turnover. Increased employee turnover leads to increased cost of recruitment and training at the same level of different employees which unnecessary increases the cost. Even if the right candidates are recruited, achieving success in maintaining or retaining the employees in the organizational culture is the biggest challenge. Though training and development programmes are well developed by the organization, more often they fail to produce the expected return on investment or the desired impact measurement on the employee productivity is just not carried out. Organizations fail to have effective training evaluation methodologies to judge the training impact on the performance of employee and also on achieving organizational objectives. This paper focuses on the review of strategic recruitment, retention and training processes of the organization and the challenges faced by the employers in recruiting, training and retaining the most desired employees of the organization. The paper also throws light on some best practices adopted by the companies to make these processes more result oriented in achieving the objectives.

Challenges in Strategic recruitment

Organizations adopting more of the external sources are faced with the challenges of the high attrition rate due to the higher expectation of the employees which grows with time and when employers are unable to fulfill them. Organizations in information technology, food supply chain management and in telecommunication industries are faced with the problem of higher attrition rate. Most of the organizations in these industries make use of external sources like campus recruitment and other agencies for recruitment. Possible reasons for the higher attrition can be recorded as the recruitment of candidates with absence of required skills or right attitude towards the job. Organizations making use of existing pool of talent and making use of it internally are faced with fewer problems. Many a times appointing people with limited qualification but high potential and having the attitude of adoptability have proved to be more effective at workplace than the people with low potential and high qualification. Organizations have switched to appoint recruiting agencies to carry out the recruitment process but most of the times it is used for appointing the people to fill temporary post. This is also done to reduce the recruitment cost but again many fail to evaluate the agency performance which further questions the success of recruitment process. Common recruitment issues observed in the process are like-

- Little formal recruitment strategy
- Lack of formal agreements regarding business or service levels.
- Isolated relationships where individual suppliers or line managers are concerned resulting lack of co-ordination.
- Large degrees of misinterpretation of requirements
- No project-based recruitment strategies
- Little use of internal recruitment methods
- Insufficient sector knowledge from individual agencies
- Total lack of consistent screening methods
- Lack of relationship management skills
- Loss of good candidates through unprofessional or unstructured recruitment processes

Developing meaningful recruitment strategy

Foremost thing in developing the effective recruitment process is to have the internal audit of recruitment strategies to have an understanding of the whole recruitment process. It is necessary to review the role of the manager and also the information regarding the whole recruitment and induction process. Reviewing of all the testing and assessment products and the processes helps in having the better understanding of limitation of whole recruitment process. Audit of recruitment agencies is another crucial strategy in the process as majority of the organizations relies heavily on the external agencies for the recruitment process. While reviewing the agency performance the important criteria in the process should focus on views measuring the quality of the candidates provided, time taken, ratio of number of candidates provided and vacancies filled by the agency, quality services provided by the agency, providing the candidates who fits the job criteria, providing employees possessing specialist skills and workforce diversity. Organizations using the agencies many times incur greater cost and hence it becomes imperative to evaluate the performance of the recruiting agencies.

Employer branding is gaining popularity in the present globalization scenario. It helps in attracting, recruiting and retaining the most desirable employees to the employer. Main objective of using this strategy is to attract the desired employees to the organization, improving the external perception of the organization, differentiating the organization from that of the competitors, improving employee engagement and retention, reducing the cost of recruitment and also in retaining the talent within the organization.

Problem of labour turnover

There is constant increase observed in the attrition rate of the employees in many industries. Most affected are in industries like telecommunication, information technology and BPOs. The possible reasons for this increasing attrition can be attributed to increased use of external sourcing and recruitment agencies, walk in interviews and appointments wherein

the important skills useful for the job are not considered, campus recruitment and change of career. Increasing labour turnover not only increases the cost of recruitment and training to fill the similar positions over a long period of time but its serious effects are also observed on the organization objectives. Private sector seems to be struggling more in the process due to increasing competition where employees with the specialist skills are absorbed by the competitors, wherein the current employers are unable to satisfy the increasing career aspiration of the most effective employees. Other important reasons traced were lack of support of the colleagues and also the job insecurity.

Retention strategies to reduce labour turnover

Entry level induction programmes and motivational strategies has proved to be more effective in overcoming the problem of labour turnover. Some of the best practices adopted by the companies are like team based hiring approach (example of Steelscape, Inc. – an American organization) wherein the team of employees is asked to decide on the candidates which can be best suited to work with them. Structured interview is very important which can help the employers to recruit the most suited employee having specialist skills to fit a particular job profile. Recruiting managers has to understand that some skills can be built through training programmes and if those skills are crucial for the job then the whole recruitment goes into waste resulting in increased cost and time to the organization. The example for the same can be from the telecommunication or BPO industry where soft skills are given more importance and some attributes like tolerance and patience cannot be inculcated through training programmes and hence the candidates should be put through proper screening and testing before appointment.

Workplace satisfaction plays very important role in retaining the employees. Managers need to create warm, comfortable and friendly environment if they want to encourage team spirit and to reduce the turnover of the employees. By increasing co-operation, communication and mentoring, talent can be retained in the organization. Providing flexible opportunities and scheduling as per employee convenience can also increase the satisfaction of the employees at workplace. Many organizations provide academic scholarship programs for employee development and exposure which increase talent development and retention in the organization. Engaging employees in short term project assignment and involving employees on the board increasing the morale. Above all most frequent actions taken by the organizations for retention are improving their induction, training and career development programmes.

Challenges of training programmes

Every year large amount of investment is made by the organizations in their training programmes. Organizations use diverse methods of training for brushing the required skills of its employees. However with these huge investments train-

ing programmes fails to achieve the desired outcome/objectives in most of the organizations. Training programmes are not evaluated in many organizations; even if the evaluation takes place, it is limited to judge the reaction level. Very few organizations judge the impact of these programmes on the actual learning and how well these learning are transferred to the workplace. In Insurance sector some companies they provide training every month to its employees but still they fail to produce the desired outcome. Even when companies have training evaluation methodologies, they fail to find out the reasons for its ineffectiveness.

Managing training programmes

Foremost thing for the success of any training programme is to have clear understanding of the training objectives. Proper assessment of skills requirement and organizational objectives should be set before designing training programmes. Managers and trainers should have proper understanding of the organizational short and long term goals and also the required skills for the same. Proper evaluation of the training programmes helps in improving training delivery and also in achieving the training objectives. Evaluation should not be restricted to judging the feedback of the employees but should also help to measure its impact on the performance of the employees and how well these learnings are transferred to the workplace. Quality of the trainer, training course design and material, methodology, duration of training programme, all plays very important role in achieving the desired training outcome. Proper understanding of objectives to be achieved in the short term and in the long term is very important for the trainers and people designing the training courses.

Conclusion

Human resource management involves large amount of investment in different processes like recruitment, retention, training and development. When the investment is huge it becomes imperative to find out the return on the investment made and also to judge the areas of financial losses. Financial losses here mean the ineffectiveness of any strategic processes which fails to achieve the desired outcome and increasing the cost due to unnecessary expenditure. Example of this can be flaws in recruitment strategies resulting into high labour turnover and heavy expenditure incurred again and again on recruiting, inducting and training the employees for the same position.

Impact study is very important for each of the strategic process to understand the impact on the organizational objectives. Reviewing strategic human resource process through continuous research can help in judging the impact and correcting the flaws in the processes. In present talent management era, it is crucial to assess the recruitment, retention and training processes of the organizations continuously to understand the proper return on investment and to reinforce these processes.

REFERENCE

1. Aguinis H, Kraiger K, (2009) "Benefits of Training and Development for Individuals and Teams, Organizations and Society" Annual Review of Psychology vol 60 pp451-474 | 2. Armstrong, M (2005) A Handbook of Human Resource Management Practice Kogan Page(9th Edition), London | 3. Chartered Institute of Personnel and Development,(2007), Broadway London, available at <http://www.cipd.co.uk/> | 4. Harrison, R (2002) Learning and Development, (3rd Edition), CIPD Publishing, London | 5. Margaret A.Carter-Ward, Susan E.Prince, J.D. Elaine Quayle, (2006), Best Practices, In Recruitment And Retention, Published by BUSINESS & LEGAL REPORTS, INC.U.S.A | 6. Mullins, L (2005), Management and Organisational Behaviour Prentice Hall, (7th Edition), Pearson Education, Edinburgh | 7. Nordhaug, O. "Reward functions of personnel training" Human relations 42 (5): 373-88. Year 1989 | 8. Sanderson G, (2010) "Objectives and Evaluation" The Handbook of Training and Development 2nd edition Blackwells | 9. Walton, J (1999), Strategic Human Resource Development, | 10. www.cactussearch.co.uk | 11. <http://www.callcentrehelper.com/how-do-i-ensure-a-successful-recruitment-strategy-181.htm> |