A Critical Study on Recruitment and Selection With Reference to HR Consulting Firms

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This research aims at analyzing the effect of factors affecting recruitment and selection. The strategic interventions in recruitment it has brought about sea changes in the methodology of recruitment. As a prime contributor to the talent acquisition, HR consulting firms have signified their importance of this industry. The sampling technique used for this study is convenient random sampling with a sample size of 105 respondents. For this study primary data was collected through interviews and questionnaires. The hypothesis was tested with Chi square test of independence. Through phi and Cramer's V the strength of the relationship was also ascertained. The recruitment policy of an organization is determined by the nature of work and industry in which it operates. There are various internal and external factors that affect the recruitment policy. Employment conditions in the community where the organization is located will influence the recruiting efforts of the organization. Labor Market Communicates the demand supply statistics, industry compensation standards as well as the up-to-the-minute trends in the market etc.

KEYWORDS
recruitment, selection, labor market, policy

Introduction
In an environment of rapidly escalating competitive challenges, every company has to invest across the value chain to achieve world-class competitive capability in each of the businesses in its portfolio. These strategic interventions result in a new organizational culture that is continuously engaged in upgrading competitive capability to effectively address growth challenges in the fast globalizing Indian market, and over time in the world markets. The vision of every company is now apparently the creation of unique business models that foster international competitiveness of not only its business but also the entire value chain of which it is a part. This has made functioning of each organization much complex than the olden days.

Human resource management is a relatively modern concept. This involves a large number of studies and practices in managing people it is defined and described in a variety of ways. HRM is comparatively a new discipline in most countries but in the USA the term has been used for over fifty years as an alternative name for personnel management. For most of that time, the terms were used interchangeably.

The success of any organization depends upon the efficient manpower working in it. Recruitment and selection procedure plays a very important role in the present business concept. Since the company's functions starts with recruitment and selection, if it is not done in a systematic and effective way, all other functions will get affected. Recruitment forms the first stage in the process which continues with selection and betterment with the placement of the candidates.

Review of literature:
Michael D. white and Gipsy Escobar (2008) states that recruitment and selection have become critically important issues for police department around the world. This paper highlights seven issues, two in recruitment and selection and five training, that we believe are critical for finding, hiring and training effective police officers in the future.

Sonali Sisodia and Nimit Chowdhary (2012) It can be inferred that illustration in recruitment advertisement of service organisation creates tangible representation and challenge the application to presume the intended significance of the illustrative appeal. Service employers should use visual communication to initiate relationship with prospective employees.

Mir Mohammed Nurul Absar (2012) states that Recruitment and selection is one the most important functions of human resource management. The present study aims at exploring differences and similarities between the public and private sector manufacturing firm of Bangladesh with respect to recruitment and selection practices, sources of recruitment and selection devices.

Ongori Henry and Temtime Z (2009) has to investigate the recruitment and selection practices of SMEs and suggest appropriate strategies on how to improve human resource management practices to enhance organisational performance. Recruitment and selection practices are the key factors to the entry point of human resource to any organisation which also tends determine the success and sustainability of SMEs. These practices are said to encourage innovation, survival and growth of SMEs if taken serious by owner /managers.

French ray and Rumbles sally (2010) says that the important role of recruitment and selection within the process of leading, managing and developing people. Recruitment and selection is pivotal in this regard in certain important respects.

Statement of the Problem:
Recruitment and selection are the most critical and significant human resources function, unless the organization has the best available employees, it will not be able to grow and flourish in the market. The drive and motivational levels of the employees need to be high to enable the company to attain its goals. All the steps of the recruitment and selection processes are equally important in attracting and retaining the right talent.

Recruiting staff is a very costly exercise. It also an essential part of any business and it pays to do it properly. When organizations choose the right people for the job train them well and treat them appropriately, these people not only produce good results but also tend to stay with the organization longer. In such circumstances, the organizations initial and ongoing investment in them is well rewarded.

Before starting a recruitment and selection process, job de-
scription should be defined for each role in the organization.

Policies and procedures should be defined and adhered to for the recruiting and selection process.

Once procedures are clearly defined, hiring managers and supervisors should be trained regarding the requirements of the process.

Recruiting staff is a very costly exercise. It is also an essential part of any business and it pays to do it properly. When organizations choose the right people for the job train them well and treat them appropriately, these people not only produce good results but also tend to stay with the organization longer. In such circumstances, the organization’s initial and ongoing investment in them is well rewarded. An organization may have all of the latest technology and the best physical resources, but if it does not have the right people it will struggle to achieve the results it requires. This is true across the whole spectrum of business activity.

Objectives of study

- To Ascertain the Impact of Size of the Firm on Recruitment on Recruitment Policies
- To Study on Impact of Labor Market on Recruitment and Selection in an HR Consulting Firm
- To Evaluate the Impact of Image and Goodwill of the Organization on Recruitment and Selection Process
- To Study the Impact of Cost of Recruitment on Recruitment Process

Research Methodology:

TYPE OF RESEARCH: This research is empirical in nature.

POPULATION: Employees working in HR consulting firm

SAMPLE SIZE: The sample for the study would be limited to 105 respondents.

SAMPLING UNIT: For this study the respondents will be the employees of HR consulting firm.

TYPE OF SAMPLING: Simple random sampling method will be used for the study.

TOOLS OF DATA COLLECTION

Primary data: Primary data will be collected using a structured questionnaire as well as personal interview method.

Secondary data: The secondary data for this work will be obtained from company magazines and brochures, website, newspapers, internet, text books, reports and other promotional materials.

HYPOTHESIS 1:

H0: Size of the organization in independent of the effectiveness of recruitment process

H1: Size of the organization organization is not independent of the effectiveness of recruitment process

HYPOTHESIS 2:

H0: Impact of labour market is independent of the effectiveness of recruitment policy

H1: Impact of labour market is not independent of the effectiveness of recruitment policy

Data Analysis and Interpretation:

HYPOTHESIS TESTING

HYPOTHESIS 1:

H0: Size of the organization in independent of the effectiveness of recruitment process

H1: Size of the organization organization is not independent of the effectiveness of recruitment process

INTRODUCTION:

Manpower planning plays a vital role in the achievement of business objectives. It supplies right man for the right job at right time and at the right place.

The hypothesis tested by using Chi square test of independence. The actual value is calculated using SPSS software v.21

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>12.972*</td>
<td>8</td>
<td>.113</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>12.221</td>
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<td>.142</td>
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<tr>
<td>Linear-by-Linear Association</td>
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<td>.709</td>
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<tr>
<td>N of Valid Cases</td>
<td>98</td>
<td></td>
<td></td>
</tr>
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</table>

Chi-Square Tests

Table no. 1

a. 10 cells (66.7%) have expected count less than 5. The minimum expected count is .14.

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
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</thead>
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<tr>
<td>Nominal by Nominal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phi</td>
<td>.364</td>
<td>.113</td>
</tr>
<tr>
<td>Cramer's V</td>
<td>.257</td>
<td>.113</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>98</td>
<td></td>
</tr>
</tbody>
</table>

DATA Analysis: As furnished in the table no.1 The Pearson Chi Square Value is 12.972 . The significance value is .113. Since the significance level is more than 0.05, the relationships between both variables are independent of each other's effect. Therefore we conclude that size of the organisation is independent of the effectiveness of recruitment process. Thus we accept the null hypothesis. The Phi value is .364 and Cramer’s V value is .257. Phi value and Cramer’s V value is less than 0.5 therefore strength of the relationship of two variables is very weak.

DATA INTERPRETATION

The recruitment policy of an organization is determined by the nature of work and industry in which it operates. There are various internal and external factors that affect the recruitment policy. For e.g competitor’s recruitment policy, demand and supply of employees, nature of work, work related special demands, the extent of technological interface, industry specific skill set and also leadership style of the organization. The foremost purpose of devising a recruitment policy is to make recruitment process effective enough to recruit the suitable candidate with the required skill set and know how. Size of the organization certainly is an important aspect from organization perspective, however recruitment policy depends on the nature of tasks, industry environment and leadership of the organization. Thus we infer that the size of the organization is not a considerable factor while framing and operating the recruitment policy.

HYPOTHESIS 2:

H0: Impact of labour market is independent of the effectiveness of the recruitment policy

H1: Impact of labour market is not independent of the effectiveness of the recruitment policy

The hypothesis tested by using Chi square test of independence. The actual value is calculated using SPSS software v.21
The analysis carried out in the sample survey reveals that recruiting by word of mouth can lead to discrimination, so most of the respondents are agree to the impact of labor market on recruitment and selection process. It was found that majority of the respondents have an opinion that the organization doesn’t charge any cost from the candidates for recruitment, and the study reveals that the most of the respondents agree the recruitment policy helps you to recruit members with right skill and selection.

**Findings**

- The analysis carried out in the sample survey reveals that majority of the respondents agree the recruitment policy suffices to the recruitment of the company.
- Majority of the respondents are of the view that the recruitment policy helps you to recruit members with right skill set.
- It was found that majority of the respondents feels very good about the process if sufficient to the efficiency of recruitment policy in terms of recruitment and selection process.
- Most of respondents are agree to the impact of labor market on recruitment and selection process.
- It was found that most of the respondents were satisfied with the market condition has an effect on recruitment and selection.
- The study reveals that the most of responses are paid as the market trends or wage rate at par other companies.
- It is found from the study that the most of responses are satisfied the organization recruits people with necessary qualification and skill set.
- Most of respondents feel their company plays an important role in building talent pool.
- Majority of respondents think the image and goodwill of your organization makes recruitment and selection process much easier.
- The analysis found that majority of the respondents refer their acquaintances in the organization due to its usage and goodwill.
- Based on 55% of the responses the size of organization is considered from 0 – 100 and 31% of the respondents replied it as 100 – 250, only very less (14%) of them responded it as above 250.
- The analysis reveals that the time consumption for the average number of days required to recruit a candidate in an organization based on the survey is 3-4 days as far as the major respondents are concern.
- The analysis found that majority of the respondents is strongly agree with the time required to recruit a person in their organization is justified.
- Most of the respondents replied the cost of recruitment in their respective organization is being managed very effectively.
- It was found that majority of the respondents have an opinion that the organization doesn’t charge any cost from the candidates for recruitment.
- The study reveals that the most of the respondents agree the salary of new joinee is justified against cost of recruitment borne by the company.

**Suggestions**

- Candidate’s selection criteria must be improvised and modified at every stage of selection process.
- It is better if the job related aspects is clearly mentioned in the advertisement.
- The interview method must consist of more of situational exercises like overcoming stress, risk taking ability, maintaining interpersonal relations etc.
- Active employee referrals must be rewarded.
- Aptitude tests must be used as a major selection tool FOR SELECTING fresh candidates.
- Recruiting yield pyramid can be used so as to calculate the number of applicants to be generated to hire the required number of new employees.
- In order to generate more responses quicker and for a longer time at less cost, Web being a cost-effective way to publicize openings must be used as prime sources for recruiting.
- The criteria for promotion should be specified at the time of interview which can avoid future grievance.
- The right person will make contribution to your company productivity and profitability that far exceed salary cost. But the wrong person can cost you plenty.
- Make sure you selection process are fair open and transparent.
- Recruiting by word of mouth can lead to discrimination, so take a more structured approach whenever possible.

**Conclusion**

Recruitment and selection process getting very much important these days in the organization. It is very critical thing to evaluate the human resource. It is a systematic procedure that involves many activities. The process includes the step like HR planning attaining applicant and screening them. It is very important activity as it provides right place at right time. It is not easy at all. Not an easy task as organization future is depend on this activity, if suitable employees are selected which are beneficial to the organization it is at safe side but if decision goes wrong it can be dangerous to the organization. So it is an activity for which human resource departments gets very much importance. Recruitment and selection procedure and its important also gets changed as the organization changed.

**Table 3**

<table>
<thead>
<tr>
<th>Test</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
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<tbody>
<tr>
<td>Pearson Chi-square</td>
<td>52.111</td>
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<td>.000</td>
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<tr>
<td>Likelihood Ratio</td>
<td>30.875</td>
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<td>.002</td>
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<td>Linear-by-Linear Association</td>
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<td>.002</td>
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<tr>
<td>N of Valid Cases</td>
<td>98</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A. 15 cells (75.0%) have expected count less than 5. The minimum expected count is .04.

**Table 4**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phi</td>
<td>.729</td>
<td>.000</td>
</tr>
<tr>
<td>Cramer’s V</td>
<td>.421</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>98</td>
<td></td>
</tr>
</tbody>
</table>

**DATA Analysis:**

As furnished in the table no3 the Pearson Chi Square Value is 52.111. The significance value is .000. Since the significance level is less than 0.05, the relationship between both variables are not independent of each other’s effect. Therefore we conclude that the impact of labour market is not independent of the effectiveness of recruitment policy. Thus we reject the null hypothesis. The Phi value is 0.729 and Cramer’s V value is .421. Phi value and Cramer’s V value is more than .05 therefore strength of the relationship of two variables very strong.

**Interpretation:**

Employment conditions in the community where the organization is located will influence the recruiting efforts of the organization. Labor Market Communicates the demand supply statistics, industry compensation standards as well as the up-to-the-minute trends in the market etc.

These factors are the pivotal factors for recruitment policy in all the organizations. The effectiveness of a recruitment policy will depend on relevance of the policy to the existing industry environment. Labour Market forms the most important reference in constructing or transforming a recruitment policy and also ensuring its effectiveness. Thus the proficiency of a recruitment policy will depend on the labour market undeniably.

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REFERENCES