

A Conceptual Study on E- Recruitment System and Its Efficiency in Indian MNC Companies

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Abstract: *This is a conceptual paper to study about the concept of electronic Recruitment, usage of social media network sites in e recruitment, forms of recruitment in organization and the advantages and disadvantages of e-recruitment. The most crucial sources of competitive advantage are based on human resource efforts through attracting and retaining talented individuals. The internet has helped in attracting potential candidates to an organization from the recruitment process, which is referred to as E-Recruitment. The practice of issuing a vacant position and applying for a job via a website has increased steadily. The purpose of this paper is to broaden the research on the recruitment practices, with focus on E-Recruitment practices and trends in India with respect to IT sector, to identify what e-recruitment methods are being used and what benefits are being experienced by organizations using these methods. Many organizations have already employed e-recruitment processes for posting jobs and accepting resumes on internet and corresponding with applicants through e-mails. This paper aims to discuss the concept, nature, problems, benefits, methods and trends and conditions for good electronic recruitment.*

Introduction:

The world of recruitment is undergoing rapid transformation. Mass adoption of new tools and technologies has made the talent acquisition process data rich and workflow friendly. More and more organizations are now shifting their recruitment strategy to digital domain. E-Recruitment or eRecruitment is the process of personnel recruitment using electronic resources, in particular the internet. E-recruitment can be divided into two types of uses: corporate web site for recruitment and commercial jobs boards (such as monster.com) for posting job advertisements. Organizations have cut costs by almost 80 percent over traditional recruitment modes by moving over to the online recruitment process.” -Dhruvakanth B Shenoy, Vice President-Marketing, Asia, Monster.com, India. Corporate websites are a company’s own website with a link for job posting/career options where candidates can log into for current openings. If the company advertises

its vacant positions on other website that specialize in recruitment such as - naukri.com, timesjob.com, monster.com, etc., the companies would be adopting commercial job boards for recruitment. Companies and recruitment agents have moved much of their recruitment process online so as to improve the speed by which candidates can be matched with live vacancies. Using database technologies, and online job advertising boards and search engines, employers can now fill posts in a fraction of the time previously possible. Using an online e-Recruitment system may potentially save the employer time as usually they can rate the e Candidate and several persons in HR independently review e Candidates The applicants send their resumes via social networking sites that help in paper less recruitment process in human resource functions. So that E-recruitment is more effective in today world scenario. Most of the organization and employees are believed in this online recruitment.

OBJECTIVES

- To study the efficiency and performance of E-Recruitment process in the organization
- To find out how the E-Recruitment process have an impact on organization.
- To outline the criteria for effective E-Recruitment.

LITERATURE REVIEW

A research conducted by Verhoeven and Williams (2008) news on learning into e-recruitment and selection. The study focused on the advantages and disadvantages as acknowledged in literature and considered those against the views of HR Managers in. An analysis conducted by Williams (2009) on E-recruitment showed declining recruitment spends focused on web-based recruitment at the expense of traditional methods. Online methods proved far more popular of the HR professionals surveyed said that the jobs sector of their own company’s website was used as a recruitment instrument for many jobs. The results from Holm’s (2012) thesis were that there was a disparity among the paper-based and the electronic-based recruitment method.

The electronic-based recruitment process began with few electronic tools for line managers to begin the recruitment process, e.g. line managers were putting their hiring needs into a Word document and sending it to the accountable recruiter. The recruiter then had to read each applicant and rate the order. In some cases, this is handled through filter programs bringing top applicants to the forefront. Ms. D Shahila (2013) The study helps to investigate the trends in e-recruitment, its apply and practice, e-recruitment methods, E-Recruitment Challenges and issues as well as its growing scope in the recruitment process of a business. It also converses the main success factors of e-recruitment are the value-added services provided by the job sites, cost efficiency, rapidity, providing modified solutions, serving to institute dealings with HR managers and assist image building of the companies.

Forms of Recruitment There are mainly two forms/methods of recruitment. Centralized Decentralized In centralized recruitment the organization is having a devoted central department for recruitment process and the concerned departments do not participate in decision making. Organization like state bank of India employs central recruitment process. Decentralized recruitment is having authority to each department to choose their own staff. The companies which are geographically spread or very big in size find this form convenient. General Electric Company follows this method. Cost benefit analysis determines the source of recruitment. There's another method too. Internal sources External search Internal search could restrict the number of suitable candidates for the available position. External search could be employee referrals, campus recruitment, placement agencies, off payroll candidates and advertisements.

Effective management development of human resources has long been acknowledged by both scholars and practitioners as being a key component to the overall success of the business. Recruitment is just one element of human resource management and development; however, it is of significant importance to this success as it is the method used to acquire the human capital for the organization. Recruitment and selection is necessary human resource processes initiated by organization where the constant balancing and is to find and retain quality staff that meet the needs of the position and the company whilst minimizing expenditure in the process of hiring manpower.

The majority researchers agree that recruitment is not a one-way process, but rather a complex, two-way process. Whilst employers focus on looking attractive to a potential job applicant, the applicant

is continuing from the initial recruitment process through to the final appointment outcome.

E-RECRUITMENT PROCESS

E-Recruitment process involves a systematic procedure from sourcing the candidates from candidate database to arranging and conducting the interviewing process that may requires many technology, resources and time.

A general E-Recruitment process is as follows: -

Identify current need of employment in the organisation.

Posting the advertisement of job vacancy on job board (Online)

Managing the response i.e. Applicant database. - Short-listing of Applicant according to job specification.

Arranging and conducting online interviews (By chatting, video conferencing etc) and-Decision making regarding further process.

E-RECRUITMENT IN INDIA (RECENT SCENARIO):

Despite the challenges of a lower Internet penetration in India, E-recruitment is likely to pick up momentum. A Bangalore-based software company was in urgent need of professionals with unique set of skills to develop financial planning software. Initially, head hunters were approached, and recruitment ads were placed in newspapers. The response was discouraging and the company was able to meet only a handful of people in India, who matched the requisite skill mix. It decided to opt for an alternative-posting the job on its website and online databases. The result was instantaneous; the company was inundated with applications from across the country and people from other geographies willing to relocate to India-evidence of the reach of the Internet.

E-recruitment facilitates just-in-time hiring. Following are some couple of methods currently used in Indian Recruitment Industry. Requirements are now posted regularly on online communities like Forums, Blogs, and other websites where IT professionals frequent on a day 2 day basis.- Individual Recruiters are aggressively using social networking sites like. LinkedIn, Orkut, Facebook, Yahoo-360, Google+ for sourcing qualified Candidates.

Regarding the interview process, Initial discussions are all done through telephonic interviews. If the applicant is in a different city, final discussions are done through a Video Conference. - Recruiters are

connected to the applicants in process through diverse communication channels like online messengers, SMS etc.- Online Career events are already being hosted by a couple of Job Portals in India. - Job Seekers are also using Social networking sites actively to meet with the Recruiters online and explore the opportunities. - A few companies have extended their Recruitment activities into Virtual worlds like Secondlife.com.

NEED OF E-RECRUITMENT SYSTEM:

E-recruitment system provides HR and recruiters with the tools, technology and capacity to deliver time and cost-effective resourcing. There are two key areas where minimum requirements of the service and functionality are essential to the success of the system.

I. Candidate should be able to:

- Build and maintain their Profile or curriculum Vitae.
- Personalized to their requirements or interests
- Apply for online vacancies or opening
- Attach resumes, cover letters, and academic documentation
- Get informed for automated job alerts.
- Accept and Decline invitations to interviews
- View saved copies of all correspondences from the prospective employer in a personalized mail section

II. Recruiters should be able to:

- Handle and manage an online or email based application approvals process
- Co-ordinate all advertising and workflow of vacancies between relevant attraction points – corporate job board, intranet, external job boards and agencies
- Acknowledge at any stage of the recruitment process
- Filter, Screen and Score candidates according to application responses.
- Adapt their application processes for any type of recruitment – contract, permanent, full or part time, Graduate etc.
- Handle and manage a ‘real’ talent pool – not just a database full of previous applicants.
- Handle and manage all interviews online, with the ability for candidates to self-schedule
- Handle and manage all communications e.g. offers of Joining.
- Report on all aspects of the recruitment process easily.

EFFICIENCY OF E-RECRUITMENT SYSTEM WITH RESPECT TO TIME, COST AND QUALITY:

Time Efficiency

Benefits of E-Recruitment Reduced Hiring Time: E-Recruitment allows for instant real-time interaction and 24x7 hiring/job search activity. Traditionally newspapers would print job advertisement which would appear only for one

day. Resumes and applications would take several days or weeks to reach to the right person and it would cost much high to both job seekers and providers. But with e recruitment, instant ads can be posted on company or job site, hundreds of candidates can apply at a time within moments and it's also very cheap.

Cost Efficiency

Reduced Hiring Cost: Up to 90% cost can be saved through online recruitment than the traditional one since it reaches to more candidates and doesn't have to physically print advertisements and distribute them. Nowadays many of the job portals give attractive offers and discounts for publishing jobs on their sites and give various services to candidates too. Broader Reach for Employers: Unlike traditional methods which are usually restricted by career level, geography, industry or other parameters online recruitment portals typically have current and active talent databases that cover all career levels, industries and regions

Quality Efficiency

It filters ineligible and unsuitable candidates and saves time by 60 per cent of the hiring time for recruiters. It is far better and faster than the conventional methods of recruitment. In a survey (Ireland) 35% of respondents felt that recruiting online increased their ability to attract quality candidates.

STEP BY STEP PROCESS IN E-RECRUITMENT:

The steps involved in the process of E-recruitment are as follows;

STEP 1: ANALYSING THE NEED FOR RECRUITMENT

STEP 2: ALIGHNING THE JOB DESCRIPTION

STEP 3: FEASIBILITY OF ONLINE RECRUITMENT

STEP 4: ATTRACT CANDIDATES TO THE JOB OPENINGS

STEP 5: ACQUIRING CANDIDATES

STEP 7: INTIMATE THE SHORT-LISTED CANDIDATES

STEP 8: INITIATING THE OFFER AND CLOSING THE JOB OPENING

EMERGING TRENDS IN E-RECRUITMENT SYSTEM

Company and the prospective employee can communicate with each other via the blogs. Thus blogs, podcasts, podcasts are being considered an instrument of e-recruitment. No more the process can be blamed for being one-way communication like mails, faxes only being speedy as done electronically. Podcasts are the services of digital media records. Podcasts are the video podcasts. Candidate's Preference: History states that employers had the freedom to be selective in hiring process, especially in screening resumes but were not always fair. Because of the time restraint it was not possible to go through all the applications. Today the candidates can choose their employers as not only the financial state is known to them but also the ethnicity is known. Applying for the Organization will no more be influenced only by the image.

ADVANTAGES OF E-RECRUITMENT:

With the availability of the Internet 24 hours a day, 7 days a week businesses are very much enthusiastic to choose online recruitment to hire potential employees. The following summaries some of the **vital benefits, clustering around six themes.**

Global Reach

Most probably this is one of the main reasons that many companies have chosen E-Recruitment. With this system you reach a wide range of job seekers across the globe. The larger number of people applying for a post, the higher the probability of finding the most eligible candidate.

Cost-Effective

Unlike the traditional methods of advertising vacancy such as newspapers whereby a small advert with limited amount of information provided and reaching only a small audience, web recruitment allows companies to give wealthier information to job seekers and allow them to apply online straight away.

Faster Processing

The Internet accelerates the front end of the recruitment process. The time to employ candidates is greatly reduced by posting vacancies online and the ease of filling in application forms and CV's is also increased. Unlike traditional methods applications are now processed at a very faster pace saving the businesses and applicants valuable time. The selection of candidates is done almost

immediately and candidates get their reply by mails.

Building a Talent Pool of candidates

Retaining speculative and star candidates for the future, and then contacting them when an appropriate vacancy is advertised and effectively generating applicants for free.

Easier Access

Basically, many copies CV's in an organization would mean more paperwork and the need for more storage space. With e-recruitment, CV's are available 24/7 online and do not occupy office space. This ensures the whole decision process is correct when selecting new employees since there is an easy flow of information.

Better Quality Service

Applicants received a much higher quality of service, ranging from prompt and timely communications through to the ability to select their own interview time through an online interview zone all of which enhances the employer's brand making it easier in the long term to attract staff.

OTHER ADVANTAGES

Companies find employees faster. • Companies reach more candidates by "casting a wider net," which results in finding better people. • The life of the recruitment ad is much longer than paper-based ads. Also, the ad can be changed any time. • Intelligent systems, such as Resumix.com, can evaluate resumes reducing the number of potential candidates found on the Internet to a manageable number. • Recruiting costs are significantly lower with online recruitment. • Companies can post very detailed descriptions of the available jobs as well as answers to FAQs. This additional information attracts more applicants and saves time for recruitment personnel. • Applications can be made electronically, saving data entry time and reducing errors.

DISADVANTAGES OF E-RECRUITMENT:

Using such a computerized process may sometimes be challenging for an organization especially when tremendous amount of applications are being received. The following describes some drawbacks of web recruitment.

High Volume of Responses

The internet being accessible to almost everybody, it is rather hard to limit the number of applicants. Very often organizations may be flooded with applications from incompetent candidates. In order

to alleviate this problem, businesses need to be very specific and provide full information as far as possible to obtain the right person.

Additional Expense

If a number of vacancies have been published by an organization online, it may require more than one staff to perform the screening processes. Moreover, since the system is global it may be the case that businesses find that the appropriate candidate is at another part of the world. The expense of getting the candidate for an interview may be exorbitant and sometime it may happen that this candidate will not suit the organization's requirements.

ROLE OF SOCIAL NETWORKING SITES IN E-RECRUITMENT:

The use of Social Networking Sites for recruitment is a new field in Human Resource Management. Employers believe that using these sites for online background checks is an acceptable practice for making hiring decisions for getting a quick character sketch of the applicant (Clark & Roberts, 2010). Schäuble et al. (2008) discuss in their article the potentials of online Social Networking Sites for recruitment based on the network XING, the most famous business networking site in Germany (see figure 1). Profiles in Social Networking Sites allow recruiters to gain information about their education and professional career in general. In addition, recruiters have the possibility to contact potential candidates and communicate with them in a noncommittal manner. By using Social Networking Sites, recruiters can search for possible candidates and build up long term relationships with them. Social Networking Sites like LinkedIn, monster can act as a talent pool with a variety of social capital in the form of young professionals and graduates. Recruiters can filter candidates and search for candidates with special backgrounds. This can lead to a time reduction for the search and can also improve the chance finding the right candidates. Besides this, companies can keep in touch with interns, alumni and so forth. Thus, Social Networking Sites can support the relationship management between companies and possible applicants.

CONCLUSION:

Automating the Recruitment Processes helps companies in implementing the Best Practices of recruitment and hiring the best talent available in the market. This leads to better employment opportunities through career websites and also provides more effective recruiting tools for selecting suitable candidates. the adoption of e-recruitment is about more than just technology. It is about the recruitment system being able to attract

the right candidate, the selection process being based on sound and credible criteria, and the tracking process being able to integrate with existing systems. Perhaps most significantly, e-recruitment is about cultural and behavioural change, both within HR and at line management level. the whole process of recruitment depends on the availability of candidates in the market. For every vacant position in the company, it is not viable to spend too much of time and resources. This study has explored the effectiveness of using E-Recruitment in organizations. Online recruitment is also effective in terms of managing talent process that is also considered effective. It has also found that E-Recruitment will likely to grow in coming years. E-recruitment has provided some remarkable benefits in terms of cost and efficiency.

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