

RECRUITMENT

Recruitment is the process of finding and attracting capable applicants for employment. It involves finding suitable applicants and encouraging them to apply for vacancies.

Definition: According to Flippo, "Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organisation.

Principles of Recruitment:

1. A clear recruitment strategy specifying the sources of recruitment and the type of candidates to targeted.
2. To encourage more number of candidates to apply.
3. Attract talented employees working in other firms.
4. Recruitment policies should be more effective than that of competitors.
5. To attract and encourage applicants from different parts of the country and the world.
6. Building the image and reputation of the firm as a preferred employer.
7. Ensuring that recruitment and selection decisions are based on facts. Individual preference and partiality should not affect recruitment.
8. Target top performers who can create growth for the firm.
9. Ensuring inclusiveness and diversity in the workplace.
10. Use latest technology to source and screen applications.

Objectives of Recruitment:

- I. To identify the present and future requirements of manpower.
- II. To act as the link between the employer and job seekers.
- III. Locating and attracting the attention of potential job applicants.
- IV. To encourage more number of suitable candidates to apply for vacancies.
- V. Aid in the selection of the best candidates to fill vacancies.
- VI. Ensure effective selection by reducing the number of unsuitable candidates.
- VII. To encourage retention of recruited candidates.
- VIII. Encouraging employee referral and making referrals attractive providing incentives.
- IX. Ensuring that those who are offered jobs, join the company.
- X. Minimising the cost and time involved in recruitment.

STEPS INVOLVED IN RECRUITMENT PROCESS:

1. **Recruitment planning:** It involves estimating the number of vacancies to be filled, preparing a job description, job specialisation mentioning the duties to be performed, qualifications and skills required.
2. **Designing recruitment strategy:** The second step in the recruitment process is the design of the recruitment strategy. The strategy should specify; I the number of candidates to be recruited, sources of recruitment , recruitment menthmethod to be used and the activities to be done.
3. **Evaluation of recruitment sources:** After deciding the recruitment strategy, the next steps is evaluation of recruitment sources. There are internal sources and external sources. **The internal sources are:** (a) promotions (b) transfers (c) employee referrals (d) dependent of deceased employees (e) former employees. **The external sources are:** (a) trade association (b) employment agencies (c) unsolicited applications (d) contractors (e) campus recruitment. The firm should identify the strengths and weakness of each source of recruitment.
4. **Implementation strategy:** The firm should decide the source of recruitment. The recruitment strategy should be implemented considering legal rules and regulations.
5. **Advertising the cacancy:** Candidates have to be encouraged to apply for jobs. Vacancies are advertised for both internal and external sources of recruitment.
6. **Evaluation:** Recruitment is a continuous and important process. Firms spend considerable time and resources in recruitment. Therefore its effectiveness has to be evaluated and weakness eliminated. The time and cost of recruitment should be optimal and inefficiencies avoided.

Sources of Recruitment:

(1) Internal Recruitment:

- i. Promotion
- ii. Transfer
- iii. Referrals
- iv. Job Postings

- v. Retired or Retrenchment Employees.
- vi. Dependents of Deceased Employees
- vii. Former Employees

Promotion: It is upward movement of an employee to a higher position in the organisation. Promotion is advancement of an employee to a better designation with higher pay, power, benefits, and increased responsibilities.

Transfer: Transfer refers to shifting of an employee from one location to another, one job to another or one unit to another. If a department is overstaffed employees can be moved to departments which have vacancies.

Referrals: In the case of referrals, current employees recommend the friends or relatives for vacancies in the organisation. Since employees know the culture, pay and working conditions they would recommend suitable person.

Job Postings: Vacancies available in the company are communicated to employees. They are informed through notice boards, newsletters or through intranet. Employees who have required qualification and experience can apply for the jobs.

Retired or Retrenched Employees: Employee who have retired or those who were retrenched earlier can be recruited. This happens when the organisation wants to use their experience for growth. Since they are already aware of the culture and policies, recruitment time and cost is saved.

Dependents of Deceased Employees: Some companies offer employment to dependents of employees who died during service. This is done to provide support to the deceased employee's family.

Former Employees: Employees who had left the organisation can be rehired in case their skills are required. Former employees who join back are known as 'boomerangs'. They can bring in valuable knowledge and useful skills.

(2) Sources of External Recruitment:

Professional or Trade Associations: Associations provide placement service to members. Publications of associations carry advertisements of job vacancies. They are useful for attracting highly educated and skilled personnel.

Advertisements: Many recruiters prefer advertisements because of wide reach. They contain information of job content, working conditions, locations of job,

compensation, job specification, growth aspects, etc., Newspaper is the common medium.

Employment Exchanges: Employment exchanges act as a link between employers and the prospective employees. These offices are particularly useful in recruiting blue-collar and technical workers.

Campus Recruitment: colleges, universities, research laboratories, and institutes are useful for recruiters. Colleges and universities have a placement officer to handle recruitment functions.

Contractors: They are used to recruit casual workers. The firm might recruit workers as and when required.

Consultants: They are in the profession of recruiting and selecting managerial and executive personnel. They are useful as they have wide contacts. They can also screen and select candidates if required by the company.

SELECTION

Meaning: Selection is the process of choosing the most suitable candidates from the application received and rejecting the others. The purpose of selection is to choose that candidate who would best meet job recruitments. The recruitments of the job are matched with the candidate's qualification and skills. The most suitable candidate is picked by others. While recruitment is a positive process, selection is a negative process.

Definition: According to Weihrich and Knootz, "Selecting a manager is choosing from among the candidates who best meets the position requirements"

Importance of Selection:

1. Best talent: Effective selection system enables the firm to appoint the best talent for various functions. This results in improved productivity and profitability.

2. Best efficiency: Selection of suitable candidates results in better quality of work and achievement of objectives. The overall efficiency of the firm would improve.

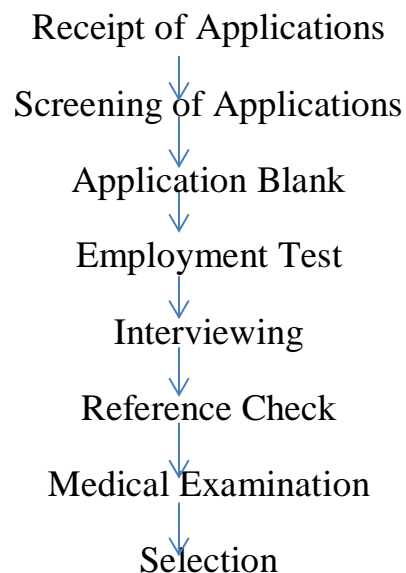
3. Job Satisfaction: If the right candidates are selected for the right jobs, their job satisfaction would be high. They feel that their skills are properly used and they are making an important contribution.

4. Reduced cost of training and development: Qualified and skilled candidates have better job knowledge. They can quickly learn new skills. The organisation can benefit from low training costs.

5. Reduced Turnover: Suitable selection of candidates results in low labour turnover. The organisation can benefit from low training costs.

6. Other Benefits: Right selection of candidates improve regularity in attendance. Absenteeism would be low. They would better concentrate on their jobs and take safety precautions. This would result in lower accidents.

Stages of Process of Selection



1. Receipt of Application: Candidates submit their applications for vacancies advertised by the firm. If the recruitment process is effective, the firm would receive applications from many of the eligible candidates.

2. Screening of applications: Applications are screened to eliminate unsuitable candidates. Qualifications, skills and experience required for the job are matched with the applications. Applications which do not match the job requirements are eliminated.

3. Application Blank: Those who have cleared the screening process, are asked to fill the application blank. It is an application form prepared by the

company to collect information in a standard format. The candidate has to provide his personal details (age, gender, marital status, email id, address etc.,), education, experience, employment history and references. A filled in application blank provides a clear profile of candidate.

4. Employment tests: Tests are an important tool used in the process of selection. Many companies use selection tests to decide the selection of candidates. The measure and assess the skills, abilities, interest, attitude and behaviour of candidates.

5. Interview: An interview is a professional interaction and assessment of a candidate by an employer. Interviews are widely used by firms in the selection process. They assess a candidate's suitability for a particular job. Job knowledge, communication skills, interpersonal skills, ability to handle stress, attitude and cultural fit of the candidate is assessed by the employer.

6. Reference Check: Reference checks are carried out for those candidates who have cleared the interview. References checks are also known as background checks. They refer to inquires with the educational institution in which the candidate studied and with his previous employer.

7. Medical examination: If the reference check is satisfactory, the candidate is asked to undergo medical examination. It is important because only a person with good health would be able to perform his duties efficiently. Physical fitness of the candidate is checked and the report is submitted to the company.

8. Selection: If the candidate clears the medical examination, he is selected. The candidate is given an appointment letter mentioning the terms of employment salary, incentives, designations etc.

EMPLOYMENT TEST OR PSYCHOLOGICAL TEST

Meaning: Employment test is a tool to measure specific psychological factors. They assess a candidate's personality and assess how he would perform in a job.

Types of Employment test:

- a) **Intelligence tests:** These tests measure the Intelligence Quotient (*IQ*) of the candidate. They are conducted to judge the mental capacity of the applicant. They test the verbal ability, numerical skills and memory of candidate. $IQ = \text{Mental age} / \text{Actual age} * 100$

- b) **Aptitude Tests:** They assess the job skills of the candidate and his potential to acquire them. They measure an applicant's ability and potential for development. Aptitude tests can measure the verbal, numerical and reasoning abilities. For the job of an accountant, numerical ability and accounts knowledge would be tested. The types of Aptitude test are: (a) Skill tests (b) Knowledge tests and (c) Ability tests.
- c) **Achievement Tests:** They are also known as proficiency tests. They judge a candidate's skill to do particular job. They measure the level of skills and knowledge already acquired by candidates. They are also termed as performance test, occupational tests or trade test. For example, a typing test will indicate the speed and accuracy of a data entry operator.
- d) **Interest Tests:** They are conducted to identify and judge a candidate's interest in a job. They suggest the job that would be most suitable to a people, sales role would be suitable. For those with good numerical skills and concentration, jobs in account or audit would be suitable.
- e) **Personality tests:** They test the various aspects of a candidate's personality. Likes, dislikes, moods, values, emotional reactions etc., are found out through these tests. They are used for identifying candidates for coaching, development and team building.
- f) **Physical ability tests:** They measure the physical strength, hand to eye co-ordination and other important physical attributes.

Characteristics of Employment tests:

1. There are tests to measure different aspects of behaviour and skills.
2. Employment tests measure knowledge, physical abilities, personality. Interest and attitude.
3. They are standardised.
4. Tests are an objective measure of an employee's skill and behaviour.
5. They play an important role in employment decisions.

Features of an Effective Employment Test:

- i. **Objectivity:** A test evaluated by different persons should produce the same result.
- ii. **Reliability:** It is the extent to which a selection test provides consistent results. It should provide dependable and repeatable results. If a person

scores 90 marks on Monday and 30 marks on Tuesday in the same test, the test is not reliable.

- iii. **Validity:** The extent to which a test measures what it is intended to measure. Validity indicates that there is linkage between test performance and job performance.
- iv. **Standardisation:** Everybody should take the test under similar conditions.
- v. **Job relevant:** The test should measure characteristics that are important to the job.
- vi. **Practical:** It should be easy to conduct and provide scores with less time and effort.
- vii. **Comprehensive:** It should cover various aspects which are important for the job.
- viii. **Clarity:** The questions should be clear and understandable. Candidates should be provided clear instructions.
- ix. **Opportunity to Perform:** Tests should provide an opportunity to candidates to show their skills, knowledge and abilities.
- x. **Suitable time:** The time allotted for completing the test should be according to its length and difficulty.
- xi. **Economical:** The test should not be time consuming or involves high costs.
- xii. **Involvement of experts:** Preparing the test content, conducting it and evaluation requires intelligence. Experts with knowledge and experience should be involved in the process.

Benefits of Tests:

- a) They are a reliable and accurate method of selecting qualified candidates.
- b) They measure the extent to which an employee meets job requirements.
- c) They can identify hidden potential of employees.
- d) They can bring out the personality traits of candidates to assess their suitability.
- e) They assess how well a candidate would perform in a job.
- f) Companies can save training costs and reduce employee turnover rejecting unsuitable candidates.
- g) By selecting candidates who can perform well, tests improve morale and productivity.
- h) Tests are useful when large number of candidates have to be screened.

- i) Tests are useful when large number of candidates as well as identify similarities and different between them.

Problems in using Tests:

1. They do not indicate the extent to which a candidate will perform in a job.
2. If candidates are not honest, personality tests may not be effective.
3. Candidates may become anxious while taking a test. This can affect their answering.
4. Behaviour and Personality suitable for one job may not be suitable for other jobs. For sales jobs, communication and inter personal skills are most important while for software coding, technical skills and focus are important. If the same test is used for both the jobs, it would not be useful.
5. Tests may reject candidates with potential because they lack certain skills.

INTERVIEW

Definition of Interview: Strays and sayles, "An interview is a selection technique which enables employer to view the total individual and directly appraise his behaviour. It is method by which an idea about the applicant's personality can be obtained by a face to face contact.

Objectives of Interviews:

- i. **Access the applicant:** Interviews provide opportunities to the interviewer to know about the applicant. Information from the application blank and tests can be verified from direct interactions with the candidates.
- ii. **Obtain Additional Information from the Candidate:** Information about candidates not disclosed in the application form can be found from the interview. The appearance, communication, attitude and behaviour of the candidate can also be assessed.
- iii. **Provide information to the candidate:** Interview can be used to both assess the candidate and also provide information to him. The candidate can be provided information about the company, job nature, career growth, pay, benefits and services. Based on this, the candidate can decide whether to join or not join the company.

- iv. **Creates mutual understanding:** Interviews create mutual understanding between the candidate and the company. The company can better understand the candidate. The candidate can clear his doubts and have clarity about the company, job and benefits.
- v. **Negotiation:** The interview can also be used to negotiate the pay and benefits offered for the job.
- vi. **Improve image and reputation:** Interviews are an opportunity to create, and improve the image and reputation of a firm. If the interview is conducted in a fair and effective manner, goodwill would be enhanced.

Types of Interviews:

- **Structured Interview:** In a structured interview, all candidates are asked the same set of questions in the same order. They are conducted to measure the job related skills of candidates. Candidates have equal opportunity to provide information and are assessed on an uniform basis. This ensures accurate and consistent assessment.
- **Unstructured Interview:** The interviewer does not have any specific set of questions. To seek information he asks open ended questions. He can ask, Explain your responsibilities in your previous job, Describe any difficult situation that you have successfully overcome etc., The interview is more like a conversation and is informal. The candidate can freely express his ideas without any interruption.
- **Situational Interview:** It assess the analytical and problem solving skills. They identify how effectively a candidate would handle unexpected problems. A candidate for a HR manager position might be asked. How would you handle a sudden strike of employees in your factory?
- **Behaviour Interview:** It focus on past experience to evaluate job related skills. They assess the candidate's past performance to know how he would perform in the future. For example, Tell me about a time when you conformed to a policy though you did not agree with it?
- **Stress Interview:** They assess if a candidate would be able to handle difficult and stressful situations calmly. They create anxiety to find out a candidate's capacity to handle pressure. The interviewer can create stress by:
 - i. Being Aggressive
 - ii. Asking questions in a rude or sarcastic manner,

- iii. Asking questions in a rapid fire manner.
 - iv. Insulting the candidate
 - v. Disagreeing with the candidate's answers.
- **Panel Interview:** In a panel interview the candidate is interviewed by group of company experts. Panel interviews are generally conducted middle management and top management positions. Each member in a panel asks different questions on a specific area.
- **Group Interview:** A group interview is one in which multiple candidates are interviewed at the same time. Questions are asked to the entire group. The interviewer assesses the quality of answers of each candidate. They find out the comfort level of candidates in working in groups.

IMPORTANCE OF INTERVIEW TO EMPLOYERS

Information about the candidate: Interview enables the employer to collect complete information about the candidate. Information can be collected about the candidate's educational background, experience, intelligence, communications skills, interests, behaviour etc.,

Supplements the application blank: Through interviews, the firm can collect additional information about the candidate not available in the applicable blank. Thus an interview provides an opportunity to supplement information provided in the application blank.

Selection of the right candidate: Interview enables direct, face to face interaction with candidate. The interviewer can take the right decision to select the best candidate.

Choice among equally qualified candidates: Through face to face interaction the attitude, behaviour, hidden talent and potential of candidates can be identified. This helps to choose among equally qualified candidates.

Collection of useful information: The firm can collect useful information by interviewing many candidates. This information can be used to improve the effectiveness of interviews and also the firm.

Improve image: Interviews conducted in a fair and effective manner improve the image and reputation of the firm. It can serve as an important public relations exercise of the firm.

Flexibility: Interviews are flexible to adapt to the candidate and the situation.

IMPORTANCE OF INTERVIEWS FOR CANDIDATES

Employment opportunity: A candidate can communicate his qualifications, skills and experience during the interview. If he performs well he can get the job.

Aids candidates to decide: The interview provides an opportunity to the candidate know about the company, job responsibilities, pay and career growth chances. Through this the candidate can decide whether to accept or reject the job offer.

Improve self-confidence: Interviews enable a candidate to improve his self-confidence. By going through the interview process, a candidate can improve his communication, interpersonal and analytical skills.

Seek Clarification: Interviews enable candidates to seek clarifications and clear their doubts. This helps them to take the right decision relating to job offer.

DIFFERENCE BETWEEN RECRUITMENT AND SELECTION

Recruitment	Selection
1. Process of encouraging and stimulating candidates to apply for vacancies.	Process of picking the most suitable candidates.
2. Its purpose is to create a talent pool of candidates to enable selection of the best.	Its purpose is to select the most suitable candidate for a job.
3. Its approach is positive since it involves encouraging more people to apply.	Its approach is negative since it involves rejection of unsuitable candidates.
4. It precedes selection.	It follows recruitment.
5. It encourages large number of candidates to apply for job.	It rejects unsuitable candidates.
6. It is an economical method.	It is an expensive method.
7. Recruitment does not result in any contacts.	Selection results in a contact between employer and the selected employee.

8. It is a simple process.	It is a complex process.
9. Requires less time since it only involves identifying vacancies and advertising them.	It is more time consuming. Each candidate has to be tested on various aspects before the best candidate is chosen.
10. The procedures of recruitment involve identifying and notifying vacancies.	The procedure of selection involves filling up of application forms, employment tests, interviews, medical exam etc.

PLACEMENT

It is the process of finding the right fit between employees and job positions. It involves determining the job to which an employee is to be assigned. Placing the right employee in the right job is as important as selecting the right person.

Aim of Job Placement:

The aim of job placement is to find a right fit between employees and job positions in the organisation. It involves determining the job to which an employee is to be assigned. Placing the right employee in the right job is as important as selecting the right person. If the placement process is effective, performance and retention of employees would be better.