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## Unit - 4 : Recruitment

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### 4.0 Objectives

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After completing this unit, you will be able to:

- Define recruitment.
- Cite the steps in recruitment process.
- Understand the prerequisites of a good recruitment policy.
- Describe the various sources of recruitment.
- Understand the methods through which prospective candidates may be recruited.
- Point out the various factors affecting recruitment.

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### 4.1 Introduction

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Successful human resource planning should identify our human resource needs. Once we know these needs, we will want to do something about meeting them. The next step in the acquisition function, therefore, is recruitment. This activity makes it possible for us to acquire the number and types of people necessary to ensure the continued operation of the organization.

**Hallett says**, “It is with people that quality performance really begins and ends.” Robert Heller also says, “If people of poor calibre are hired, nothing much else can be accomplished and Gresham’s law will work: the bad people will drive out the good or cause them to deteriorate.”

Recruiting is the discovering of potential candidates for actual or anticipated organizational vacancies. Or, from another perspective, it is a linking activity-bringing together those with jobs to fill and those seeking jobs.

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### 4.2 Recruitment: Meaning and Definition

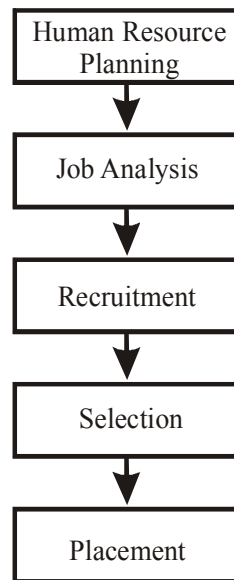
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Recruitment forms a step in the process which continues with selection and ceases with the placement of the candidate. It is the next step in the procurement function, the first being the manpower planning. Recruiting makes it possible to acquire the number and types of people necessary to ensure the continued operation of the organisation. Recruiting is the discovering of potential applicants for actual or anticipated organisational vacancies.

**According to Edwin B. Flippo**, “Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.”

**According to Lord**, “Recruitment is a form of competition. Just as corporations compete to develop, manufacture, and market the best product or service, so they must also compete to identify, attract and hire the most qualified people. Recruitment is a business, and it is a big business.”

**In the words of Dale Yoder**, “Recruiting is a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force.”



**Figure 4.1: Recruitment to Human Resource Acquisition Process**

**According to Werther and Davis**, “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.”

**Dales S. Beach writes**, “Recruitment is the development and maintenance of adequate manpower resources. It involves the creation of a pool of available labour upon whom the organisation can depend when it needs additional employees.”

Thus, recruitment process is concerned with the identification of possible sources of human resource supply and tapping those sources. In the total process of acquiring and placing human resources in the organisation, recruitment falls in between different sub-processes as shown in Figure 4.2.

**According to Scott, Clothier and Spriegel** the need for recruitment arises out of the following situations:

- Vacancies created due to expansion, diversification, and growth of business.
- An increase in the competitive advantage of certain concerns, enabling them to get more of the available business than formerly.
- An increase in business arising from an upswing during the recovery period of a business cycle.
- Vacancies created due to transfer, promotion, retirement, termination, permanent disability or death.
- The normal population growth, which requires increased goods and services to meet the needs of the people.
- A rising standard of living, which requires more of the same goods and services as well as the creation of new wants to be satisfied.

### 4.3 Process of Recruitment

Recruitment process passes through the following stages:

- Recruitment process begins when the personnel department receives requisitions for recruitment from any department of the company, The personnel requisitions contain details about the position to be filled, number of persons to be recruited, the duties to be performed, qualifications expected from the candidates, terms and conditions of employment and the time by which the persons should be available for appointment etc.
- Locating and developing the sources of required number and type of employees.
- Identifying the prospective employees with required characteristics.
- Developing the techniques to attract the desired candidates. The goodwill of an organisation in the market may be one technique. The publicity about the company being a good employer may also help in stimulating candidates to apply. There may be others of attractive salaries, proper facilities for development etc.
- Evaluating the effectiveness of recruitment process.

According to Famularo, personnel recruitment process involves five elements, viz., a recruitment policy, a recruitment organisation, a forecast of manpower, the development of sources of recruitment, and different techniques used for utilising these sources, and a method of assessing the recruitment programme. The explanation of these is described below:

**1. Recruitment Policy:** It specifies the objectives of recruitment and provides a framework for the implementation of the recruitment programme. It also involves the employer’s commitment to some principles as to find and employ the best qualified persons for each job, to retain the most promising of those hired, etc. It should be based on the goals, needs and environment of the organisation.

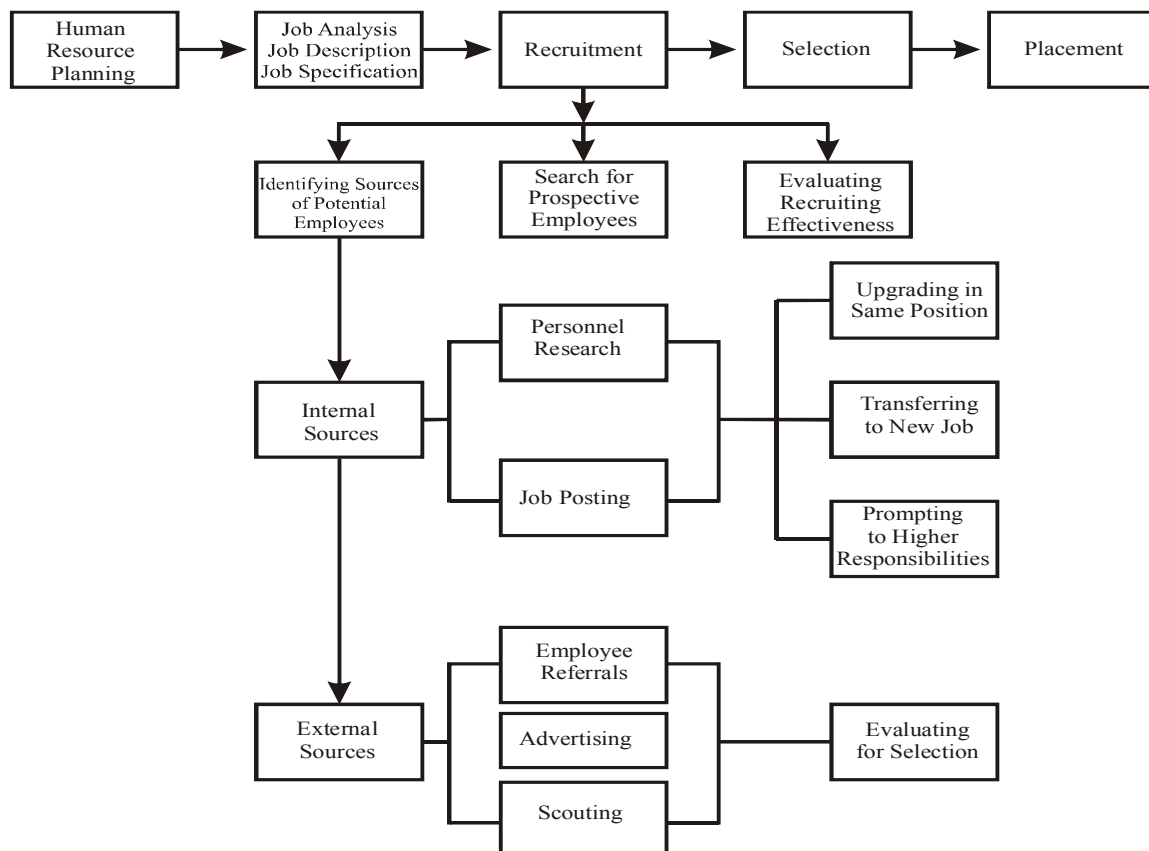


Figure 4.2 : Place of Recruitment in Selection System

**2. Recruitment Organisation:** The recruitment may be centralised like public sector banks or decentralised. Both practices have their own merits. The choice between the two will depend on the managerial philosophy and the particular needs of the organisation.

**3. Sources of Recruitment:** Various sources of recruitment may be classified as internal and external. These have their own merits and demerits.

**4. Methods of Recruitment:** Recruitment techniques are the means to make contact with potential candidates, to provide them necessary information and to encourage them to apply for jobs.

**5. Evaluation of Recruitment Programme:** The recruitment process must be evaluated periodically. The criteria for evaluation may consist of cost per applicant, the hiring ratio, performance appraisal, tenure of stay, etc. After evaluation, necessary improvements should be made in the recruitment programme.

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#### **4.4 Recruitment Policy**

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As Yoder et al observe recruitment policy spells out the objectives of the recruitment and provides a framework for implementations of the recruitment programme in the form of procedures. It may involve a commitment to broad principles such as filling vacancies with the best qualified individuals. The recruitment policy may embrace several issues such as the extent of promotion from within, attitudes of enterprise in recruiting old, handicapped, and minor individuals, minority group members, part-time employees and relatives of present employees. In addition, the recruitment policy may also involve the organisation system to be developed for implementing the recruitment programme and procedures to be employed. Explicitly, an organisational system is a function of the size of an enterprise. In smaller enterprises, there may be merely informal recruiting procedures and the line official may be responsible to handle this function along with their usual responsibilities. On the other hand, in larger organisations, there is usually a staff unit attached with personnel or an industrial relations department designated as employment or recruitment office. This specialisation of recruitment enables staff personnel to become highly skilled in recruitment techniques and their evaluation. However, recruitment remains the line responsibility as far as the personnel requisition forms are originated by the line personnel, who have also the final word in the acceptance or rejection of a particular applicant. Despite this, the staff personnel have adequate freedom in respect of sources of manpower to be tapped and the procedure to be followed for this purpose.

Recruitment policy covers the following areas:

- To prescribe the degree of emphasis. Inside the organisation or outside the organisation.
- To provide the weightage that would be given to certain categories of people such as local population, physically-handicapped personnel, personnel from scheduled castes/tribes and other backward classes.
- To prescribe whether the recruitment would be centralised or decentralised at unit levels.
- To specify the degree of flexibility with regard to age, qualifications, compensation structure and other service conditions.
- To prescribe the personnel who would be involved in recruitment process and the role of human resource department in this regard.
- To specify the budget for meeting the expenditures incurred in completing the recruitment process.

**According to Yoder,** “the recruitment policy is concerned with quantity and qualifications of manpower.” It establishes broad guidelines for the staffing process. Generally, the following factors are involved in a recruitment policy:

- To provide each employee with an open road and encouragement in the continuing development of his talents and skills;
- To provide individual employees with the maximum of employment security, avoiding, frequent lay-off or lost time;
- To avoid cliques which may develop when several members of the same household or community are employed in the organisation;
- To carefully observe the letter and spirit of the relevant public policy on hiring and, on the whole, employment relationship;
- To assure each employee of the organisation interest in his personal goals and employment objective;
- To assure employees of fairness in all employment relationships, including promotions and transfers;
- To provide employment in jobs which are engineered to meet the qualifications of handicapped workers and minority sections; and
- To encourage one or more strong, effective, responsible trade unions among the employees.

**Prerequisites of a Good Recruitment Policy:** The recruitment policy of an organisation must satisfy the following conditions:

- It should be in conformity with its general personnel policies;
- It should be flexible enough to meet the changing needs of an organisation;
- It should be so designed as to ensure employment opportunities for its employees on a long-term basis so that the goals of the organisation should be achievable; and it should develop the potentialities of employees;
- It should match the qualities of employees with the requirements of the work for which they are employed; and
- It should highlight the necessity of establishing job analysis.

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## 4.5 Factor Affecting Recruitment

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The factors affecting recruitment can be classified as internal and external factors.

**The internal factors are:**

- Wage and salary policies;
- The age composition of existing working force;
- Promotion and retirement policies;
- Turnover rates;
- The nature of operations involved the kind of personnel required;
- The level and seasonality of operations in question;
- Future expansion and reduction programmes;
- Recruiting policy of the organisation;
- Human resource planning strategy of the company;
- Size of the organisation and the number of employees employed;

- Cost involved in recruiting employees, and finally;
- Growth and expansion plans of the organisation.

**The external factors are:**

- Supply and demand of specific skills in the labour market;
- Company's image perception of the job seekers about the company.
- External cultural factors: Obviously, the culture may exert considerable check on recruitment. For example, women may not be recruited in certain jobs in industry.
- Economic factors: such as a tight or loose labour market, the reputation of the enterprise in the community as a good pay master or otherwise and such allied issues which determine the quality and quantity of manpower submitting itself for recruitment.
- Political and legal factors also exert restraints in respect of nature and hours of work for women and children, and allied employment practices in the enterprise, reservation of Job for SC, ST and so on.

## **4.6 Sources of Recruitment**

After the finalisation of recruitment plan indicating the number and type of prospective candidates, they must be attracted to offer themselves for consideration to their employment. This necessitates the identification of sources from which these candidates can be attracted. Some companies try to develop new sources, while most only try to tackle the existing sources they have. These sources, accordingly, may be termed as internal and external.

### **Internal Sources**

It would be desirable to utilise the internal sources before going outside to attract the candidates. Yoder and others suggest two categories of internal sources including a review of the present employees and nomination of candidates by employees. Effective utilisation of internal sources necessitates an understanding of their skills and information regarding relationships of jobs. This will provide possibilities for horizontal and vertical transfers within the enterprise eliminating simultaneous attempts to lay off employees in one department and recruitment of employees with similar qualification for another department in the company. Promotion and transfers within the plant where an employee is best suitable improves the morale along with solving recruitment problems. These measures can be taken effectively if the company has established job families through job analysis programmes combining together similar jobs demanding similar employee characteristics. Again, employees can be requested to suggest promising candidates. Sometimes, employees are given prizes for recommending a candidate who has been recruited. Despite the usefulness of this system in the form of loyalty and its wide practice, it has been pointed out that it gives rise to cliques posing difficulty to management. Therefore, before utilising this system attempts should be made to determine through research whether or not employees thus recruited are effective on particular jobs. Usually, internal sources can be used effectively if the numbers of vacancies are not very large, adequate, employee records are maintained, jobs do not demand originality lacking in the internal sources, and employees have prepared themselves for promotions.

**Merits of Internal Sources:** The following are the merits of internal sources of recruitment:

- It creates a sense of security among employees when they are assured that they would be preferred in filling up vacancies.

- It improves the morale of employees, for they are assured of the fact that they would be preferred over outsiders when vacancies occur.
- It promotes loyalty and commitment among employees due to sense of job security and opportunities for advancement.
- The employer is in a better position to evaluate those presently employed than outside candidates. This is because the company maintains a record of the progress, experience and service of its employees.
- Time and costs of training will be low because employees remain familiar with the organisation and its policies.
- Relations with trade unions remain good. Labour turnover is reduced.
- As the persons in the employment of the company are fully aware of, and well acquainted with, its policies and know its operating procedures, they require little training, and the chances are that they would stay longer in the employment of the organisation than a new outsider would.
- It encourages self-development among the employees. It encourages good individuals who are ambitious.
- It encourages stability from continuity of employment.
- It can also act as a training device for developing middle and top-level managers.

**Demerits of Internal Sources:** However, this system suffers from certain defects as:

- There are possibilities that internal sources may “dry up”, and it may be difficult to find the requisite personnel from within an organisation.
- It often leads to inbreeding, and discourages new blood from entering an organisation.
- As promotion is based on seniority, the danger is that really capable hands may not be chosen. The likes and dislikes of the management may also play an important role in the selection of personnel.
- Since the learner does not know more than the lecturer, no innovations worth the name can be made. Therefore, on jobs which require original thinking (such as advertising, style, designing and basic research), this practice is not followed.

This source is used by many organisations; but a surprisingly large number ignore this source, especially for middle management jobs.

### **External Sources**

DeCenzo and Robbins remark, “Occasionally, it may be necessary to bring in some ‘new blood’ to broaden the present ideas, knowledge, and enthusiasm.” Thus, all organisations have to depend on external sources of recruitment. Among these sources are included:

- Employment agencies.
- Educational and technical institutes. and
- Casual labour or “applicants at the gate” and new applicants.

Public and private employment agencies play a vital role in making available suitable employees for different positions in the organisations. Besides public agencies, private agencies have developed markedly in large cities in the form of consultancy services. Usually, these agencies facilitate recruitment of technical and professional personnel. Because of their specialisation, they effectively assess the needs of their clients and aptitudes and skills of the specialised personnel. They do not merely bring an employer and an employee together but computerise lists of available talents, utilising testing to classify and assess applicants and use advanced techniques of vocational guidance for effective placement purposes.

Educational and technical institutes also form an effective source of manpower supply. There is an increasing emphasis on recruiting student from different management institutes and universities commerce and management departments by recruiters for positions in sales, accounting, finance, personnel and production. These students are recruited as management trainees and then placed in special company training programmes. They are not recruited for particular positions but for development as future supervisors and executives. Indeed, this source provides a constant flow of new personnel with leadership potentialities. Frequently, this source is tapped through on-campus interview with promising students. In addition, vocational schools and industrial training institutes provide specialised employees, apprentices, and trainees for semiskilled and skilled jobs. Persons trained in these schools and institutes can be placed on operative and similar jobs with a minimum of in-plant training. However, recruitment of these candidates must be based on realistic and differential standards established through research reducing turnover and enhancing productivity.

Frequently, numerous enterprises depend to some extent upon casual labour or “applicants at the gate” and nail applicants. The candidates may appear personally at the company’s employment office or send their applications for possible vacancies. Explicitly, as Yoder and others observe, the quality and quantity of such candidates depend on the image of the company in community. Prompt response to these applicants proves very useful for the company. However, it may be noted that this source is uncertain, and the applicants reveal a wide range of abilities necessitating a careful screening. Despite these limitations, it forms a highly inexpensive source as the candidates themselves come to the gate of the company. Again, it provides measures for good public relations and accordingly, all the candidates visiting the company must be received cordially.

**Table 4.1 : Recruiting Sources Used by Skill and Level**

<b>Skill/Level</b>	<b>Recruiting Source</b>	<b>Percentage of Use</b>
Unskilled and Semiskilled	Informal contacts	85
	Walk-ins	74
	Public Employment Agencies	66
	Want Ads	52
Skilled	Informal Contacts	88
	Walk-ins	66
	Public Employment Agencies	55
	Want Ads	55
Professional Employees	Internal Search	94
	Informal Contacts	92
	Walk-ins	71
	Public Employment Agencies	52
	Want Ads	48
	Private Employment Agencies	22
Managerial Level	Internal Search	100
	Informal Contacts	71
	Walk-ins	31
	Private Employment Agencies	20
	Want Ads	17
	Public Employment Agencies	12

Source: Adapted from Stephen L. Mangum, “Recruitment and job Search: The Recruitment Tactics of Employers. “Personnel Administrator, June 1982, p. 102.



As Jucius observes, trade unions are playing an increasingly important role in labour supply. In several trades, they supply skilled labour in sufficient numbers. They also determine the order in which employees are to be recruited in the organisation. In industries where they do not take active part in recruitment, they make it a point that employees laid off are given preference in recruitment.

Application files also forms a useful source of supply of work force. Attempts may be made to review the application to determine jobs for which the candidates filed for future use when there are openings in these jobs. The candidates may be requested to renew their cards as many times as they desire. All the renewed cards may be placed in “active” files and those not renewed for considerable time may be placed in “inactive” file or destroyed. Indeed, a well-indexed application file provides utmost economy from the standpoint of a recruiting budget.

Efficacy of alternative sources of supply of human resources should be determined through research. Attempts may be made to relate the factor of success on the job with a specific source of supply. Alternative sources can also be evaluated in terms of turnover, grievances and disciplinary action. Those sources which are significantly positively related with job performance and significantly negatively related with turnover, grievances and disciplinary action, can be effectively used in recruitment programmes. The assessment should be periodically performed in terms of occupations. It may be that source “A” is most effective for technical workers, while source “B” for semiskilled workers.

**Advantages of External Recruitment:** External sources of recruitment are suitable for the following reasons:

- It will help in bringing new ideas, better techniques and improved methods to the organisation.
- The cost of employees will be minimised because candidates selected in this method will be placed in the minimum pay scale.
- The existing employees will also broaden their personality.
- The entry of qualitative persons from outside will be in the interest of the organisation in the long run.
- The suitable candidates with skill, talent, knowledge are available from external sources.
- The entry of new persons with varied expansion and talent will help in human resource mix.

**Disadvantages of External Sources:**

- Orientation and training are required as the employees remain unfamiliar with the organisation.
- It is more expensive and time-consuming. Detailed screening is necessary as very little is known about the candidate.
- If new entrant fails to adjust himself to the working in the enterprise, it means yet more expenditure on looking for his replacement.
- Motivation, morale and loyalty of existing staff are affected, if higher level jobs are filled from external sources. It becomes a source of heart-burning and demoralisation among existing employees.

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## 4.7 Methods of Recruitment

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Methods of recruitment are different from the sources of recruitment. Sources are the locations where prospective employees are available. On the other hand, methods are way of establishing links with the prospective employees. Various methods employed for recruiting employees may be classified into the following categories:

### 1. Direct Methods:

These include sending recruiters to educational and professional institutions, employees, contacts with public, and manned exhibits. One of the widely used direct methods is that of sending of recruiters to colleges and technical schools. Most college recruiting is done in co-operation with the placement office of a college. The placement office usually provides help in attracting students, arranging interviews, furnishing space, and providing student resumes.

For managerial, professional and sales personnel campus recruiting is an extensive operation. Persons reading for MBA or other technical diplomas are picked up in this manner. For this purpose, carefully prepared brochures, describing the organisation and the jobs it offers, are distributed among students, before the interviewer arrives. Sometimes, firms directly solicit information from the concerned professors about students with an outstanding record. Many companies have found employees contact with the public a very effective method. Other direct methods include sending recruiters to conventions and seminars, setting up exhibits at fairs, and using mobile offices to go to the desired centres.

**Table 4.2: Methods of Contacting Prospective Candidates**

<b>Based on personnel to be recruited</b>	
<b>Managerial/technical personnel</b>	<b>Operative personnel</b>
Advertisement	Public employment exchanges
Internet	Labour unions
Walk-ins	Employee referrals
Campus recruitments	Gate hiring
Job fairs	Labour contractors
Consultancy firms	
Personnel contacts	
Poaching and raiding	
<b>Based on the movement of the organisation</b>	
<b>Direct methods</b>	<b>Third party method</b>
Advertisement	Consultancy firms
Internet recruiting	Public employment exchanges
Campus recruitment	Labour unions
Job fairs	Employee referrals
Personnel contacts	Labour contractors
Gate hiring	

### 2. Indirect Methods:

The most frequently used indirect method of recruitment is advertisement in newspapers, journals, and on the radio and television. Advertisement enables candidates to assess their suitability. It is appropriate when the organisation wants to reach out to a large target group scattered nationwide. When a firm wants to conceal its identity, it can give blind advertisement in which only box number is given. Considerable details about jobs and qualifications can be given in the advertisements. Another method of advertising is a notice-board placed at the gate of the company.

### 3. Third-Party Methods:

The most frequently used third-party methods are public and private employment agencies. Public employment exchanges have been largely concerned with factory workers and clerical jobs. They also provide help in recruiting professional employees. Private agencies provide consultancy services and charge a fee. They are usually specialised for different categories of operatives, office workers, salesmen,

supervisory and management personnel. Other third-party methods include the use of trade unions. Labour-management committees have usually demonstrated the effectiveness of trade unions as methods of recruitment.

Several criteria discussed in the preceding section for evaluating sources of applicants can also be used for assessing recruiting methods. Attempts should be made to identify how the candidate was attracted to the company. To accomplish this, the application may consist of an item as to how the applicant came to learn about the vacancy. Then, attempts should be made to determine the method which consistently attracts good candidates. Thus, the most effective method should be utilised to improve the recruitment programme.

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## 4.8 Philosophies of Recruitment

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There are basically two philosophies of recruitment:

- Traditional
- Realistic

The traditional philosophy is to get as many people as possible to apply for the job. As a result of this, a large number of job seekers apply for the job, which makes the final selection process difficult and can often result in the selection of wrong candidates. Wrong selection can, in turn, lead to employee dissatisfaction and turnover in the long run.

In realistic philosophy, the needs of the organisation are matched with the needs of the applicants, which enhance the effectiveness of the recruitment process. In realistic approach, the employees who are recruited will stay in the organisation for a longer period of time and will perform at higher level of effectiveness.

**Table 4.3 : Difference between Traditional and Realistic Job Preview**

<b>Traditional Job Preview</b>	<b>Realistic Job Preview</b>
Setting unrealistic and high job expectations.	Setting realistic job expectations.
Job is viewed by the candidates as highly attractive	Attractiveness of job is evaluated in the light of realistic job expectations
High rate of acceptance of job offers.	Some accept and some reject job offers.
High expectation belied by actual job experience	Expectations are confirmed by job experience.
Creations of dissatisfaction, frustration and thoughts for leaving the job	Creation of satisfaction in the light of job expectations.
High rate of personnel turnover and lower rate of job survival	High rate of personnel retention and high rate of job survival

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## 4.9 Summary

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Recruitment forms a step in the process which continues with selection and ceases with the placement of the candidate. It is the next step in the procurement function, the first being the manpower planning. Recruiting makes it possible to acquire the number and types of people necessary to ensure the continued operation of the organisation. Thus, recruitment process is concerned with the identification of possible sources of human resource supply and tapping those sources.

Recruitment process involves five elements, viz., a recruitment policy, a recruitment organisation, the development of sources of recruitment, and different techniques used for utilising these sources, and a method of assessing the recruitment programme. After the finalisation of recruitment plan indicating the