

## **The Impact of Effective Recruitment & Selection Process on Organizational Development: An Empirical Study**

**Preksha Yadav<sup>1</sup>, Brijesh Singh<sup>2</sup>, BhagyaLakshmi.K<sup>3</sup>, Poonam Mishra<sup>4</sup>, Ramya. N<sup>5</sup>**

<sup>1</sup>Assistant Professor, Dept. of MBA, CMR Institute of Technology, Bengaluru.

<sup>2</sup>Research Scholar at VTU and Associate Professor, SJB Institute of Technology, Bangalore

<sup>3</sup>Assistant Professor, Visvesvaraya Technological University, Mysuru.

<sup>4</sup>Assistant Professor, GLA University, Mathura

<sup>5</sup>Assistant professor, Department of Management, Bangalore.

### **ABSTRACT**

This research is fundamentally to get it the viability of the recruitment and selection process and organizational level support for the proper knowledge management process. Effectiveness of recruitment and selection process is progressively well known as a most effective way to improve organizational development. Through this empirical research researcher wants to investigate the efficiency of recruitment and selection process in IT organizations.

In this research independent variables are effectiveness of recruitment, recruitment and selection process, organizational support, and recruiter opinion. Researcher tried to find out the relationship between independent variables organizational development. Here researcher have collected 145 valid responses through questionnaire and applied some statistical tool like, percentage analysis, regression and correlations.

**KEYWORDS:** Recruitment and Selection process, Knowledge Management, Organizational Development

### **INTRODUCTION:**

An organization's progress depends not on the quantity but on the quality of workforce or employees working in the organization. Therefore, it is very important for any organization to hire right and well qualified employees. Recruitment deals with finding the applicants, communicating the opportunities and generating interest. Recruitment and selection process is very important and must be carried out systematically to achieve organizational objectives and

organizational development. Employees are playing a very important role in organizational development and because of that only now a days organizational are giving due importance to their human resource. Human resources are very important to the organization as they provide value, perspective and attributes to organizational culture. Effectively managed human resource can lead the organization towards remarkable growth. Human resource management begins with the recruitment process then followed by selection process. Mostly recruitment and selection process used to have some subjective elements. But if deal job application in professional manner then we can reduce the impact of subjective elements (Djabatey et al., 2012). While recruitment is the process to get the pool of the candidate, selection is the process of selecting the right person (Walker et al., 2009). It is well known that a right selection has wider range of favorable impact on organizational development as well as organizational work life.

Literature suggests that, organizational development is directly linked with the employee's performance. Right selection will lead towards the success but at the same time wrong selection of employee can lead towards the failure (Djabatey et al., 2012). Therefore with this study researcher is trying to investigate the relationship between effective recruitment & selection process and organizational development. In order to achieve the above mentioned objective, researcher hypothesized that:

**H<sub>1</sub>:** Recruitment & Selection process has significant impact on organizational development.

**H<sub>0</sub>:** Recruitment & Selection process has no significant impact on organizational development.

### **THEORETICAL BACKGROUND:**

This research is based on the Human Capital Theory, Equity Theory and Resource Based Theory. Adam Smith suggested Human Capital theory in 2002. As per this theory employees are the fixed capital like material and other resources. Because employees have skills, ability and knowledge, that has cost as well as productivity. The premise within the human capital theory, in accordance to Armstrong (2006) is that humans and their skills, abilities and knowledge, coupled with their capacity to set up those within the pursuits of the employing organization, are actually diagnosed as creating a big support to organizational achievement and additionally a big supply of aggressive advantage.

Resource Based View of Barney (1991) shows that sustainable aggressive gain is manageable whilst companies have a human useful resource pool which can't be imitated or substituted via way of means of rivals. As per the Resource-Based view, companies need to continuously examine their group of workers to make sure that they've the proper humans with the proper skills with inside the proper locations to make sure sustained aggressive gain (Barney, 2001) and whilst that is not the case, companies need to make up for the shortfall via way of means of using suitable recruitment and choice criteria.

Resource Based View (RBV) of Barney (1991) shows that sustainable aggressive gain is manageable when companies have a human useful resource pool which can't be imitated or substituted through rivals. According to the Resource-Based view, companies need to continuously examine their group of workers to make sure that they've the proper humans with the proper skills with inside the proper locations to make sure sustained aggressive gain (Barney, 2001) and whilst that is not the case, companies need to make up for the shortfall via way of means of using suitable recruitment and choice criteria.

Sparrow (2002), capital may be received through maximum companies any time, for a price, however it isn't always smooth to accumulate a geared up pool of quite certified and inspired employees. A systematic recruitment technique consistent with Gamage (2014) includes identifying vacancies, task analysis, task description, character specification and advertising. As in opposition to casual technique for recruiting and deciding on employees, a systematic choice technique includes the recruiting technique, amassing statistics approximately qualified applicants, comparing the qualification of every applicant and making selections approximately employment (Gamage, 2014).

## **LITERATURE REVIEW:**

Alan Prince (2007) According to him the process of recruitment a tedious process, it has to be culpable by the management and forethought by the board in order to designate the applicable labour force. Further he adds that the recruitment process may be conducted with the help of internet, can be inside or outside. Hiltrop (1996) He demonstrates the relationship between Human resources management practices, Human resources management organizational strategies as well as organizational performance. for this he studied about in Europe where in around 319

companies HR practices and policies were taken into consideration and after the research he found that employment security programs, alliance, employee involvement and staff design are prerequisite applications required. Silzer et al. (2010) They concentrate on talent management and were successful in solving the issues like whether one acquires talent through development, or one gets it by birth that is one is born with talent. According to him designing talent system is the core challenge and the solution he came up with for gaining well organized staff management was by acquiring feasible recruitment technique. Ms. Ambika Verma (2009) In their study on the use of technologies in hiring and staffing for job candidates conducted in a group found that majority of the organizations used technology as a tool which are based on R&S or hiring and staffing to improve the productivity, expand the applicants count and to reduce costs. Robert (2005) In his study “strategic HR review” he concludes that successful R&S can improve the organizations execution. Hence, one must focus on the recruitment and selection process of their organization. Bowen, et al (1991) In his survey he examined that “integrated R&S process assists the hirers to select the applicants to get into the attributes of an organization tradition.” Therefore, one needs to focus on the integration of recruitment and selection.

Raybould, and Sheedy (2005) He suggests that following an efficient and effective strategy in the recruitment and selection of workers enables the organizations to avoid unnecessary costs like high staff turnover costs, dissatisfied customers and poor performance among workers.

Anderson, Haddleton, Cunningham-snell, and Gibb (2000, p. 16) According to him the graduate R&S process in the United Kingdom has undergone a paradigm shift in quite recent past and the majority of such changes relies on the streamlining of selection procedures mainly for reduction of the cost.

## **RECRUITMENT CONCEPT**

Recruitment is the process of not just identifying but also attracting the right and suitable candidate for a job. Which is followed by the process of manpower planning?

One must considered the following before starting the recruitment activity.

1. Should the vacancies be filled up from inside or outside the organization.
2. Should the recruitment be done locally, from within the nation or outside the nation.
3. The techniques and modes to be utilized for attracting or calling up new applicants

## **PROCESS OF RECRUITMENT**

Recruitment process is divided in the following steps:

1. **Manpower Planning:** it defines what resources the organization needs to meet its objectives. it must specify the quality and the quantity of manpower which is needed at a particular date in near future.
2. **Job analysis:** job description and job specification together are called job analysis. In simple terms it means analyzing a job.
  - a) **Job description:** it refers to the duties, tasks, objectives and standard of performances which an employer expects from the employee. Example: - the working hours will be for 9 hrs.
  - b) **Job specification:** it refers to specifications such as of the knowledge, specific skill required to do or complete the required job, also includes the qualities. Example: - MBA, BE, Bed....
3. **Identification of vacancies:** The departments in the organization can inform the HR department about the available vacancies.
4. **Budget Preparation:** the organization must decide the amount or the budget in advance or prior that it wants to expend on recruitment. The procedure of recruitment relies on the time available and the budget allocated for the recruitment. Therefore, budget must be prepared for smooth functioning.
5. **Preparation and publication of information:** this includes
  - c) Advertisement
  - d) Internet
6. **Receipt of application form:** once after the receipt of the application form sit must be properly examined to check of the application forms are received, they must be s the applications meet the eligibility criteria. Those forms, which do not meet the minimum required standard must be rejected. After this is done an interview must be conducted for the shortlisted candidates. All the shortlisted candidates must then pass through the selection process only then they can be placed.

## **SELECTION CONCEPT**

Selection is the process by which an organization chooses from the pool of applicants the person or the applicant who best suits or fits in to the required vacant position considering the market condition.

Organizations consider some of the following Criteria for selection: -

1. Education of the applicant as per the post of vacancy.
2. Experience the applicant has and which is required for the respective position.
3. Physical characteristics which is required.
4. Personal characteristics which the organization expects.

### **SELECTION PROCESS**

1. Preliminary screening: all the participants are supposed to fill up an application blank. The application blanks provide information to check if the candidate has the minimum qualification for the job. Therefore, it is a useful initial screening tool.
2. Interview: the next step in the screening procedure is the interview. interview can be conducted in the following ways: -
  - a) Structured interview
  - b) Unstructured interview
  - c) Situational interview and stress interview
3. Employment tests: This aims to measure certain characteristics of an individual. It can be in pen and paper mode or online. Usually tests the verbal and mathematical ability of the candidate
4. Reference checks: it is usually done to get information about the potential employee and the information is collected from former employers or co- workers.
5. Medical examination: it is usually done only after an offer letter is made. And is very common in government vacancies and jobs that demands physical strength

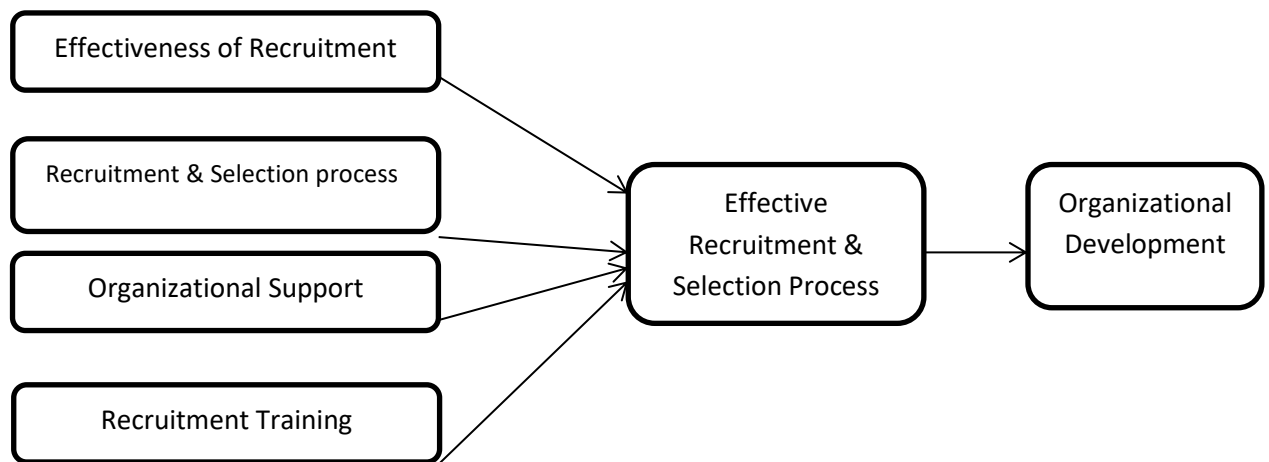
### **RECRUITMENT & SELECTION PROCESS AND ORGANIZATIONAL**

## DEVELOPMENT:

Recruitment and selection process is a main a part of an employer's general resourcing strategies, which identifies and secures humans wanted for an company to continue to exist and be successful with inside the brief to medium-term (Elwood & James, 1996). In fact, the simple cause of recruitment is to create a pool of certainly qualified applicants to permit the selection of the high-quality applicants for the company, through attracting an increasing number of personnel to use with inside the company while the simple reason of selection method is to select the proper candidate to fill the diverse positions in the company (Gamage, 2014)

Literature suggest that there is positive relation between right selection of employee on organizational development (Gamage et al., 2014). Sang (2005) for instance located a fine affiliation among recruitment and selection and business overall development.

## CONCEPTUAL FRAMEWORK:



## RESEARCH METHODOLOGY:

In this research independent variables are effectiveness of recruitment, recruitment and selection process, organizational support, and recruiter opinion. Primary data collected through questionnaire with a sample of 100 from organizations of IT Industry and applied some statistical tool like, percentage analysis, regression and correlations.

## **DISCUSSION:**

From my findings I have found that 69% of my applicants or the respondents are male while only 31% of the applicants or the respondents are female. 15% of the respondents are aged between 25-30 years. 50% of the respondents are aged between 31-35 years. 35% of the respondents are aged above 35years. 42% of the employees were selected based on a practical test. 26% of the employees were selected based on interview. 32% of the employees were selected based on both interview and practical test and only 10% of the employees were selected based on the reference. 53% of the respondents agree that the organization follows the promotional policies. 27% of the respondents disagree to it. Only 19% of the respondents are neutral about the adherence to the promotional policies. 69% of the respondents say that the group discussion is not involved in the selection process. 31% of the respondents say that group discussion is involved in the selection process. 60% of the respondents are satisfied with the selection process and say it to be very fair. 10% of the respondents consider it to be fair and only 15% of the respondents say it to be unfair. 76% of the respondents say that importance is given to the internal promotion while 24% of the respondents don't agree with it. 31% of the respondents agree to the selection process according to them it is very much acceptable and feasible. 21% strongly agree to it. 26% of the respondents are neutral about the feasibility. 13% of the respondents don't agree to it. Researcher didn't receive any response from 10% of the respondents. 77% of the respondents said that the HR provides pool of quality applicants to the organization while 23% of the respondents don't agree with it. 73% of respondents find the interviewing and the selection process to be effective and 21% of the respondents consider it to be excellent and only 6% of the respondents say that it is poor. 90% of the respondents believe that greater importance to internal hiring is given. While 10% of the respondents don't believe so. 85% of the employees believe that the internal hiring motivates them while 15% of the respondents don't believe the same. 47% of the applicants believe that the external staffing or the staffing from outside the organization brings out more desirable employees than internal staffing. 29% of the employees disagree with it. 24% of the respondents strongly disagree while 21% of the employees strongly agree to it. 82% of the respondents believe that an effective manpower planning helps in identification of vacant position while 18% of the respondents believe the other way round. 85% of the respondents are aware of the manpower planning procedure while 15%



of the respondents aren't aware of the same.

**Table No: 1**

**Correlation between Effective Recruitment & selection Process & Organizational Development**

S.N	VARIABLE	R-VALUE	SIG.	RESULTS
1	Effectiveness of Recruitment	0.064	0.529	Positively Correlated
2	Recruitment & Selection process	0.223	0.026	Positively Correlated
3	Organizational Support	0.046	0.652	Positively Correlated
4	Recruitment Training	0.074	0.467	Positively Correlated

(Source: Primary data correlation is significant at the 0.01 level (2-tailed))

From the above table it is inferred that there is moderate positive correlation between effectiveness of recruitment and organizational development since P-value (0.529) is greater than .05. it is also inferred that there is a positive correlation between recruitment & selection process and the organizational development since P-Value (0.026). There is moderate positive correlation between organizational support and organizational development since P-value (0.652) which is greater than 0.05. From the above table, it is inferred that there is a moderate positive correlation between recruitment training and organizational development since P-Value (0.466) which is greater than 0.05.

**CONCLUSION:**

Recruitment & selection process is playing a very important role in organizational development. After this study, I can say that this organizations recruitment & selection process is very effective as they adhere to the quality measures during their hiring

process. Focusing on the employees attitude and work quality as the practical test is given more importance. The employees are staying long and they are very much satisfied with the internal selection and promotion process. Here researcher can conclude that effective recruitment & selection process is positively correlated with the organizational development and this research clearly indicate that if organization can an effective recruitment and selection process then they can lead towards the better organizational development.

## REFERENCES

1. Adams, J .S. (1963). Toward an understanding of equity. *Journal of Abnormal and Social Psychology*, 67, 422-434.
2. Anyim, F. C., Ekwoaba, J. O. & Ideh, D. A. (2012). The role of human resource planning in recruitment and selection process. *British Journal of Humanities and Social Sciences*, 6(2), 68-78.
3. Armstrong, M., (2006). *A Handbook of Human Resource Management Practice*. 10th ed. Great Britain: Cambridge University.
4. Asika, N. (1991). *Research Methods in the Behavioural Sciences*. Lagos: Learn Africa Plc.
5. Atkinson, J. & Storey, D. (1994). *Small Firms and Employment, Employment in the Small Firm and the Labour Market*. London: Routledge. Atkinson, R. L.,
6. Atkinson, R. C., Smith, E. E. & Bem, D. J. (1999). *Pszichológia*. OsirisSzázadvég Kiadó, Második, javított kiadás, Budapest.
7. Bacon, N., & Hoque, K. (2005). HRM in the SME sector: Valuable employees and coercive networks. *The International Journal of Human Resource Management*, 16 (11): 1976- 1999.
8. Barber, A., Wesson, M., Roberson, Q., & Taylor, S. (1999). A tale of two job markets: Organisational size and its effects on hiring practices and job search behaviour. *Personnel Psychology*, 52(4):841-867.
9. Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17 (1), 99-120.
10. Barney, J. B. (2001). Resource-based theories of competitive advantage: a ten-year retrospective on the resource-based view. *Journal of Management*, 27(6), 643-650.

11. Biles, G. E. & Holmberg, S. R. (1980): Strategic human resource planning. Glenn Ridge, New Jersey: Thomas Horton and Daughters.
12. Bohlander, G., Snell, S. & Sherman, A. (2001). Managing human resources. New York: SouthWestern College.
13. Bowley, A. L. (1926). Measurements of precision attained in sampling. Bulletin of the International Statistics Institute, Amsterdam, 22, 1-62.
14. Boxall, P. & Purcell, J., (2008). Strategy and human resource management. Bristol: Palgrave.
15. Catano, V. M., Wiesner, W. H. & Hackett, R. D. (2010). Recruitment and selection in Canada (5th ed). Canada: Nelson Education Ltd.
16. Chartered Institute of Personnel and Development (2011). Diversity in the workplace: an overview. Factsheet. London: CIPD.
17. Deshpande, S., & Golhar, D.Y. (1994). HRM practices in large and small manufacturing firms: A comparative study. Journal of Small Business management, 32(2). 49-56.
18. DeVaro, J. (2008). The labor market effects of employer recruitment choice. European Economic Review, 52 (2), 283–314.
19. Djabatey E. N. (2012). Recruitment and selection practices of organizations: A case study of HFC Bank (GH) Ltd. Unpublished thesis submitted to the Institute of Distance Learning, Kwame Nkrumah University of Science and Technology. Ghana: Kwame Nkrumah University of Science and Technology.