The Impact of E-Recruitment – An Empirical Study on A Multi-National KPO Unit Located In Chennai.

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Abstract

E-Recruitment facilitates organizations to attract large number of job seekers in a very short period at less cost compared to regular sources and promotes operational continuity. It also helps to reduce the applicants scrutiny process done by HR staff. There are various research studies which have reflected on the benefits of E-Recruitment. This paper aims to examine the impact of E-Recruitment in terms of cost and time involved with a case reference to a Multi-National KPO unit located in Chennai. In this research, the authors had used two parts designed questionnaire for collecting primary data from HR personnel from the organization. Ultimately, the study tries to draw attention on how E-recruitment could be used as a strategic tool for the business organizations.

Keywords: E-Recruitment, Cost, Time.

Introduction

Recently there has been a significant increase in use of the Internet to recruit and select people has grown (Hopkins Markham, 2003). Various research evidences show that online recruitments have become an easy way to save cost and valuable time of firms (Hart, Doherty & Ellis-Chadwick, 2000. It is evident that e-recruitment systems have become important tools in helping organizations to establish a brand identity, attract talented employees, and retain valuable ones compared to traditional recruitment methods (Ghazzawi and Accoumeh, 2014). As for Lakshmi S. L (2014) e-recruitment is considered to be the process of recruiting personnel with the use of technology and web-based resources. This technology is utilized in tracking applications, posting jobs and online job application processing. Thus, it can assist and lessen the activities of the human resource function. E-Recruitment is mostly opted as it is cost-effective and economical in course of its usage. The fundamentals of E-Recruitment are Applicant Tracking, Employer's Website, Job Portals, Online Testing, and Social Networking.

The present study investigates E-Recruitment process considering Cost and Time factors in a Multi National KPO situated in Chennai.

Review of Literature

Organizations have adopted several advanced modes to perform their human resource practices like recruitment, selection, training and development, performance appraisal, etc. Online recruitment is effective in terms of a speedy information collection of an applicant, giving detailed and uniform data to the applicant sand time saving (Internet Recruiting: Is It Right for you, July 2001). This finding is further supported by Hopkins &Markham (2003) study which

argues that to speed up the recruitment process, online recruitment is considered as the best practice.

Chapman and Webster (2003) in their survey research on the use of technologies in recruiting, screening and selection process for job candidates conducted in the USA found that most organizations implemented technology based recruitment and selection tools to improve efficiency, enable new assessment tools, reduce costs, standardize systems and expand the applicant pool.

Hadass (2004) in his research on the effect of the internet recruiting on the matching of workers and HR managers developed a model of recruitment in which job seekers have private information about their qualification for different jobs and firms possess imperfect screening technologies. He concluded that firms may adopt E-Recruitment strategies because of the direct reduction in recruiting costs and because of competition among HR managers for qualified hires.

According to iLogos research in 1998 there are three main areas in which E - Recruitment reduces costs they are as follows,

- Direct cost savings from ads posted on Newspapers
- Reduces mail costs from paying fees to the head recruiters or Job fairs
- Lowers the Human resource workload in the Human resource department that yields a great pace to the recruitment cycle that ultimately lowers cost (Othman and Musa, 2006)

Launching a new career website for a company that would eventually track the details of candidates required in the recruitment process costs less. The process also reduces temporarily manpower spending of manual sorting or applicants (White, 2008).

According to Bussler & Davis (2002) E-Recruitment can reduce the amount of time used for hiring in the recruitment process by two thirds.

Avinash s. kapse (2012) stated that online recruitment has many advantages in companies like low cost, less time, quick, a wider area, better match and along with this, they have highlighted some points of disadvantages of online recruitment like scrutinizing applications is a problem, lack of internet awareness in India in some places and they said that employers want to have face to face interaction with candidates.

Ms. D Shahila (2013) focused on E-Recruitment challenges that are faced by companies while using online recruitment. This article highlights the points like online recruitment is facing challenges from employers and job seekers like difficulty in finding a suitable applicant, competition with competitors for good candidates, negotiation, transparency of the system, difficulty in judging companies working culture.

Smita Pandey & Sarika Mishra (2015) analysed the pros and cons of online recruitment methods in India and concluded that Job Portals are the most popular and widely used tool by companies and recruitment teams to facilitate the smooth flow of recruitment process in the competitive world. Job Portals provide a platform for employers to meet the prospective employees. Hence this system will help for betterment of traditional recruitment with less time and cost. This will act as a platform for both job seeker to search the job and corporate sector to hire appropriate candidates.

Objectives of Study

- To identify cost factors of the E-Recruitment process of a select firm.
- To examine time factors influencing the E-Recruitment process of the select firm.
- To analyse relationship between cost and time factors for an effective E-Recruitment process.

Research Methodology

This study is based on responses from HR personnel of a Multi-National KPO located in Chennai. After establishing rapport, the objective of the study was explained in brief and data was collected from respondents through email.

Sample size: As there were only 12 HR personnel in the entire universe taken for the study and hence no sampling procedure was followed.

Data Collection: To fulfil the aims and objectives of this study, the study employed both primary and secondary data. The primary data was collected through questionnaire, which has total 16 questions on a 4 point Likert scale ranging from(4-Very High, 3-High, 2-Low, 1-VeryLow), to measure the variables cost and time. The secondary data was collected through books, the internet and research papers.

Tools for Data Analysis: Means, Standard Deviations, Correlations were used

Results and Discussions:

As stated earlier the entire universe was taken for the study.

This section discusses the demographic profile of the respondents studied:Table 1: Gender Classification

Gender	Numbers	Percentage
Females	4	33%
Males	8	67%
Total	12	100%

From Table1, it may be inferred that a majority of respondents constitute male members which shows 67 percent. This may be due to the nature of the job requirements or inadequate availability of female employees.

Table 2: Designations of the Respondents

Position Occupied	Number of Respondents	Percentage
HR Manager Talent Acquisition	1	8%
Jr. Recruiter	3	25%
In-house search Executive	5	42%
Resourcing Co-ordinator	2	17%
Resourcing Admin	1	8%
Total	12	100%

From Table 2, it can be seen that 42% of the respondents occupy the In-house Search Executive position which involves searching and screening of the applications from prospective employees either from the company website or other job portals.25% belong to a Jr.Recruiter category who also search and screen applicants, do job postings, conduct narrow searches and conduct interviews.17% occupy the Resourcing Co-ordinator position who take care of the departmental tasks and coordinate with the other departments too. There are two 8% category one, the Resourcing Admin who takes care of the database maintenance, and finally the HR Manager who is actually leads the team

Table 3: Work Experience of the Respondents

Years of Experience	No of Respondents	Percentage %
no experience	3	25%
</2 years	4	33%
5 or > 5 years	2	17%
>10 years	3	25%
Total	12	100%

From Table 3, it is observed that 33% of respondents have less than as well as two years of experience, while there are two groups of 25% of respondents where one group has no experience completely while the other group has more than 10 years of experience. Then there is

17% group of respondents with a minimum or more than five years of experience

S.No	Cost Factors	Mean	SD	Percentage	Total Score	Group Attitude
	Table 4: Items related to Cost Involved in E-Recruitment					
1	Posting jobs online	2	0	100	200	Low
2	Package Deals	2	0	100	200	Low
3	Ad services	2.2	0.37	83	166	Low
4	Financial incentives	3	0	100	300	High
5	Recruitment campaign	2.4	0.49	58	116	Low
6	Annual expenses	2.3	0.47	67	134	Low
7	ROI	2.4	0.49	58	116	Low
8	Cost to Company	2.4	0.49	58	116	Low
9	Ongoing Promotional costs	2.4	0.49	58	116	Low
10	Database Maintenance Cost	2.4	0.49	58	116	Low
	Overall Scores	2.35	0.33	74	158	

From Table 4, it is found that the overall mean score is 2.35 (i.e., 74%) for all the ten cost factors when put together which indicates the overall cost involved in recruitment is found to be Low from the population taken for study. Among the 10 factors taken for the study for the cost factor number 4 which denotes the Finder's fee – a financial incentive given to job portals for referring candidates, showed the mean score as 3.0. The other cost factors 5, 7, 8,9,10 all scored same mean 2.4 and they denote the average cost/recruitment, promotional costs, ROI, annual expenses and database maintenance costs. These factors were found to be on the high cost end when compared to the factors 1, 2, 3 and 6 as they denote the cost of posting jobs online, package deals, advertising costs and overall expenses. The cost factors received the same mode and a median score of 2.4. Thus, from Table-4 it can be inferred why the organization had adopted e-recruitment as the cost of acquiring applications from prospective employees is low.

S.No	Time Factors	Mean	SD	Percentage	Total Scores	Group Attitude
	Table:5 Time involved in E-Recruitment					
1	Online Advertising	2	0	100	200	Low
2	Processing Time	1.8	0.43	75	150	Low
3	Searching Resumes	2.4	0.49	58	150	Low
4	Screening Resumes	2.3	0.47	67	150	Low
5	Inter – Intra Communication	2.4	0.47	58	150	Low
6	Placement	2.5	0.50	50	150	Low
	Overall Scores	2.23	0.39	68	158	

Table-5 represents the time factors which create an impact on e-recruitment. From the table results, it was found that the Overall mean value is 2.23(68%) which indicates time consumption

to be Low. The time factor 2 indicates a very low mean value of 1.8 which denotes that 75 percent of the population in the study agreed that time involved in the recruitment process through e-recruitment is low. The time factor 6 got the highest mean score of 2.5 with only 50% of the population agreeing that the time taken to fill each vacancy through e-recruitment is also low. In addition, the time involved in searching and communicating with job seekers is 58 percent

for both the factors whereas it is found that the time consumed for communication between job seeker and organization is 67 percent .Therefore, it can be concluded that time involved in e-recruitment is Less.

Further, to know statistical relationship exists between the combined parameters (cost and time) correlation analysis was applied taking only the influencing cost and time factors

		Table 6 - Correlation Analysis		
Cost Factors	Mean values	Time factors	Mean Values	Correlation value
Posting jobs online	2	Online Advertising	2	
Package Deals	2	Processing Time	1.8	
Ad services	2.2	Searching Resumes	2.4	
Financial incentives	3	Screening Resumes	2.3	r=0.49
Recruitment campaign	2.4	Inter - Intra Communication	2.4	
Annual expenses	2.3	Placement	2.5	

The strength of the correlation is found to be moderate (r=0.49), which indicates that cost in some part causally influences the time.

Conclusion

E-Recruitment systems have become important tools in helping organizations create a brand identity, attract talented employees, and retain valuable ones compared to traditional recruitment methods. Finder's fee – a financial incentive given to the job portals for referring candidates is found to be more costly when compared to other cost factors and also the time consumed to fill each vacancy through the e-recruitment process when compared to other time factors is High. It is also found that cost and time both had some causal relationship for an effective e-recruitment process. Based on this study, we can conclude that E-Recruitment allows the organization to connect with a large number of prospective employees in less time

and at a comparatively low cost when compared to conventional methods.

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