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Factors Influence Organization Management towards Using Electronic Recruitment Strategy

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Abstract

Recruitment is a set of activities and processes used to obtain a sufficient number of people who are eligible and can legally work in an organization in a well-timed manner. Recruitment enables applicants as well as an organization to identify and select each other on the basis of mutual best interests. E-recruitment takes a place alongside traditional recruitment and even exceeds it in some countries. The current paper addresses the factors that affect organization management in engaging human resource management policies and strategies towards E-recruitment to attract human capital in order to compete and survive in the market. The aims of this study were to explore, identify and classify the factors that influence management towards E-recruitment as well as develop a conceptual framework. Seven factors, among which Faster Recruitment Process, Easier Administration, and Cost Reduction, were projected as findings of this paper.

Keywords: E-recruitment; recruitment process; candidate pool and pre-screening assessment

Abstrak

Rekrutmen merupakan satu set aktiviti dan proses yang digunakan untuk memperolehi bilangan orang yang mencukupi serta layak dan sah untuk bekerja dalam organisasi dalam masa tetentu. Rekrutmen juga membolehkan pemohon dan organisasi untuk mengenalpasti dan memilih antara satu sama lain berdasarkan kepentingan bersama yang terbaik. E-rekrutmen bergerak seiring dengan rekrutmen tradisional malah melebihi di beberapa buah negara Kertas kerja ini mengkaji faktor-faktor yang mempengaruhi pengurusan organisasi untuk menggunakan polisi pengurusan sumber manusia dan strategi ke arah E-rekrutmen dalam menarik modal insan dalam usaha untuk bersaing dan kelangsungan dalam pasaran. Tujuan kajian ini adalah untuk meneroka, ,mengenal pasti, dan mengklasifikasi faktor-faktor yang mempengaruhi pengurusan ke arah E-rekrutmen dan membentuk kerangka konsep. Walau bagaimanapun, tujuh fackor seperti proses rekrutmen yang pantas, proses pentadbiran yang mudah dan pengurangan kos adalah penemuan yang dijangkakan daripada kajian ini.

Kata kunci: E-rekrutmen; proses rekrutmen; kumpulan calon; penilaian pra-penapisan

■1.0 INTRODUCTION

It has become obvious that the fundamental idea of economic growth, in light of the great economic competitions worldwide, depends on the brainpower that creates and manages development rather than the ineffectuality of spending large capital in projects lacking creative and innovative resources. Furthermore, many Human Resource leaders today are dealing with more complex, challenging questions than the ones faced by their predecessors (Adachi, *et al.* 2013).

Although strategies and policies have the utmost important functions in top management, the department of Human Resource Management contributes significantly to the implementation of recruitment strategies that an organization follows. From a strategic point of view, Bratton and Gold (2007) defined Human Resource Management as entailing management of employment relations associated with leveraging people's capabilities. Thus, it is critical to achieve competitive advantage, which is achievable through a distinctive set of integrated employment policies, programs and practices. Recruitment, as a human resource management function, is among the activities with the most critical impact on the performance of an organization (Kumar & Garg, 2010). Recruitment comprises various feasible methods (Tong, 2009) to attract individuals on a timely basis, in sufficient numbers, and with appropriate qualification (Mondy, 2010).

Nonetheless, it is common practice for organizations to rely on several strategies to attract the human resources required. Some of these techniques are based on common methods called Traditional Recruitment while others are based on the use of the Internet and information technology in a process known as E-recruitment. Online recruitment, E-recruitment, or web-based recruitment is the use of online technology to attract and source candidates and aid the recruitment process (Avinash, *et al.* 2012).

Lee (2005) mentioned that since the mid-1990s, a number of E-recruitment methods such as job boards, corporate career websites and E-recruitment consortia have been introduced into the labor market. Recruiting through corporate career websites has been touted as the

most efficient and cost-effective recruiting method. Though most large and medium-sized organizations have deployed corporate career websites, many have failed to achieve maximum benefits because they lack appropriate E-recruitment practice.

Although companies may be working to make the most of using E-recruitment, especially to attract and hire experts, knowledge workers and talent, they are still facing some problems. Tong (2009) stated that organizations are concerned about website privacy, as personal data may be shared online by other employers, which can further cause harm to the organization.

On the other hand, global organizations often conduct recruitment via the Internet, whereby job seekers are attracted by online job boards, organizations' corporate websites, or more recently, social networking sites (Parry and Olivas-Luján, 2011). The growth of online recruitment statistics in 2005 indicated that most of 500 companies from around the world used online recruitment between 2003 and 2005. About 43.9% of respondents to KeyNote (2012) research across the UK had used the Internet to search for a job, whereas in 2006, the Chartered Institute of Personnel and Development (CIPD) found that 64% of organizations in the UK used E-recruitment (Note, 2012; Parry & Tyson. 2008).

Poorangi, *et al.* (2011) found in their study that Malaysian SME recruitment policies are principally made by top management (entrepreneurs, CEOs or owners), and the executives of Malaysian SMEs believe that E-recruitment can lead them to new competitive positions mainly in the Malaysian labor market. Moreover, at the same time they found that E-recruitment in Malaysia remains work in progress and even the large recruiting firms have not yet fully implemented this technology.

Dessler (2011) noticed that firms are apparently unable to manually track the requirements of hundreds of employees. Moreover, online recruitment has revolutionized the way companies recruit employees and how job seekers search and apply for jobs (Singh and Narang, 2008). According to the significance of the E-recruitment strategy and the limited research done to determine the factors that motivate organization management to choose E-recruitment, this study will address the factors that influence and engage human resource management policies and strategies in E-recruitment in order to attract proper human capital and influence a company to compete and survive in the market. This study is consequently aimed to regulate the concept of E-recruitment. To solve the research problem and achieve the aim, two objectives were determined. The first is to define and classify the aspects of factors that motivate management to use E-recruitment. The second objective is to develop a conceptual framework to examine the relationship between the factors affecting E-recruitment usage by managers. Two questions were compiled in order to achieve the research objectives. 1. What are the factors affecting E-recruitment usage? 2. What is the conceptual model of the factors that influence E-recruitment?

The current research was conducted by gathering data from literature, studies, theories, models and discussions that review traditional and E-recruitment strategies via online databases and books. This approach has aided with providing in-depth understanding of the factors that influence managers toward employing E-recruitment strategies. Also, this research investigation will guide management preferences toward using E-recruitment and affect their decisions to enable building a pool of resources to effectively achieve the Malaysian 2020 vision. The present research additionally contributes to knowledge enhancement since there is a lack in this kind of research, especially in Malaysia

This paper is presented as follows. First is a review of traditional and E-recruitment strategies. Secondly, there is a focus on extracting and identifying the factors influencing the E-recruitment strategy. Next, the developed conceptual framework is presented, and finally, conclusions and a discussion of the results are given, and recommendations for further study are suggested.

■2.0 RECRUITMENT REVIEW

Recruitment is arguably a natural fallout from the way we socialize and do things, which is now increasingly taking place online (Ollington *et al.,* 2013). Recruitment is simultaneously the process of searching for potential candidates and employing them when there are vacancies in an organization (Dhamija, 2012). Maimunah Aminuddin (2011) defined recruitment as the process of attracting suitable people to apply for job vacancies. Schuler (1987) described recruitment as the set of activities and processes used to legally obtain a sufficient number of qualified people at the right place and time so that the people and organization can select each other in their own, best, short and long term interests.

2.1 Conventional Recruitment

Conventional recruitment is the process of using offline means such as TV and newspaper to attract and exchange information with new, potential employees to work in an organization. Recruitment has typically been conducted via methods such as advertising in local and national newspapers and professional magazines, verbal communication, recruitment agencies and headhunters (Note, 2012).

2.2 Electronic Recruitment

Recruitment means have changed since the mid-90s. Edgley (1995) predicted the recruitment industry's future lies online, whereby the process will be done on the Internet to attract potential employees to work in an organization and exchange the required information. E-recruitment, or online recruitment, is among the most advanced systems and widely utilized in all foremost organizations all over the world (Cushway, 2002) Electronic recruitment has changed the way jobs are applied for and has become so simple that anyone can do it (Plessis and Frederick, 2012)

E-recruitment is something that cannot be ignored; but the process should fulfill all the criteria of more traditional approaches and should be regularly monitored to ensure the delivery of required results. It should be fully integrated with other recruitment methods such as job fair and media advertising. It is also important to ensure that websites are kept up-to-date and there are contact numbers for those having technical difficulties (Cushway, 2002), virtual job fairs, and weblogs (Mondy and Mondy, 2012).

However, E-recruitment can be applied in various formats such as a corporate websites for recruitment and commercial job boards (Avinash, *et al.,* 2012), online recruitment (Parry and Wilson, 2009), virtual recruitment (Maurer and Lui, 2007) and Internet recruitment (Hausdorf and Duncan, 2004; Kuhn, 2003; Lievens and Harris, 2003).

Figure 1 shows an example of web technology developed for E-recruitment, where the system is developed based on the usual recruitment processes, i.e. analysing requirements related to the vacancy, job publishing, receiving and preselecting qualified applications and final decision making (Bizer, 2005).
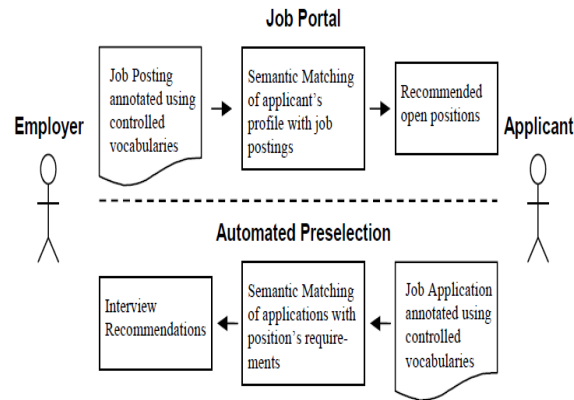

Figure 1 Overview of recruitment process developed using semantic web technologies *(Source:* Bizer, R. Heese, M. Mochol, R. Oldakowski, R. Tolksdorf, R. Eckstein. 2005. The Impact of Semantic Web Technologies on Job Recruitment Processes)

■3.0 FACTORS INFLUNCING THE E-RECRUITMENT STRATEGY

It is a well-known fact that every organization must study and understand the dynamics that would impact and influence the management's decisions that will be adopted in recruitment (Parry and Wilson, 2009). Recently, recruiters are moving towards electronic, or E-recruitment, for employment, as it weighs more advantages over traditional methods of recruitment. However, the changes may be due to several factors.

By reviewing the literature to find the factors that might transform the management's decisions to adopt E- recruitment in their work, 7 factors were extracted as shown in Table 1.

Table 1 Literature survey to extract the factors that support E-recruitment usage

Author	Year	Faster	Easier Administration	Cost Reduction	Larger Candidate Pool	Gives update impression	Pre-screening assessment	Competition
Rees and French	2013	√		√	√			
Hubbard & Loos	2013		√					
Emerald	2013					√	√	
Faliagka, et al.	2012	√	√					
Dhamija	2012				√			
Faliagka. et. al.	2012						√	
Mondy and Mondy	2012							√
Schreurs and Syed	2011	√	√					
Pandre	2011	√	√		√			
Emerald	2011			√				
Burbach and Royle	2010		√					
Beardwell & Claydon	2010					√		√
Rees and French	2010		√			√		
Parry and Wilson	2009	√						
Tong	2009		√					
White	2008			√				
Townsend	2007						√	
Barber	2006		√					√
Bizer	2005			√				
Gravili	2003							√
Carl et x	2001	√		√	√			
Business	2000		√					
(Wire, 2000)	2000	√						

3.1 Faster Recruitment Process

Table 1 indicates that 30% of the survey agrees that E-recruitment is a faster process. The benefits of online recruitment to employers include speed (Pandre, 2011; Rees and French, 2013) and faster recruiting cycles (Rees and French, 2010; Carl *et al.,* 2001). Companies are recently relying on online recruitment to turn a multistage process into a single recruitment process, which also leads to ease of administration (Schreurs and Syed, 2011). E-recruitment is also among the technologies that facilitate the automatic screening and sorting out of suitable applications. After the quota of applications has been reached, the system closes and automatically removes the advertisement from the system. All of that allows the management to get involved in the recruitment process but limits decision making. Faliagka *et al*. (2012) proposed a system to curb background investigation during interviews. Streamlining is the process of reviewing thousands of resumes and conducting hundreds of interviews (Wire Business, 2000).

3.2 Easier Administration

Table 1 clarifies that 35% of the survey approves that E-recruitment is easier for management to follow. E-recruitment employs an online management system for employment which automates vacancy and résumé dropping (Faliagka, 2012). The system will filter and sort out applicants according to standard requirements and fixed criteria. Sorting applicantions is one of the administrative jobs of human resource staff. Employing E-recruitment would save cost, energy and time. The system developed is straightfoward and easily accessible by jobseekers (Bizer, 2005). In addition, businesses nowadays provide free services for jobseekers dropping their résumés and allow companies to advertise at a low cost (Tong, 2009).

   Also, E-recruitment can improve the short-listing recruitment process and boost candidate confidentially (Pandre, 2011). It is effective in terms of performing the talent management process (Burbach and Royle, 2010), reducing the administrative burden and providing better tools for the recruitment team (Barber, 2006). The process of reviewing thousands of résumés and conducting hundreds of interviews is streamlined (Business, 2000), reducing the administrative burden (Rees and French, 2010)

3.3 Cost Reduction

According to Table 1 the survey indicates that 30% agree E-recruitment reduces cost. Studies also show that main recruitment strategies are held at massive events such as tours and recruiting events, i.e. job fairs and career fairs that consume vast amounts of money (Hubbard and Loos, 2013). The development of E-recruitment succeeds in decreasing company dependency on external agencies such as newspapers and recruitment agencies (Emerald, 2011) and it is also cost-effective (Carl *et al,* 2001). Barber (2006) and Wire (2000) found that one of the benefits of Internet recruitment includes lower recruitment costs and reduced administrative burden and costs (Rees and French, 2013).

3.4 Larger Candidate Pools

Although the conventional process of recruitment entails greater cost, time and worker energy, it is possible that a recruitment company is unable to find the right applicants in time. Since dropping résumés is easier through an online system compared to the conventional postage method, the implementation of E-recruitment may involve passive jobseekers (Dhamija, 2012). It could, in time, even ensure greater diversity of job applicants among the talent pools for selection (Pandre, 2011) with no geographical limits (Rees and French, 2013). Moreover, E-recruitment allows employers to achieve greater efficiency by quickly reaching a diverse pool of job applicants (White, 2008), higher caliber recruits and increased contact with candidates (Carl *et al*, 2001).

3.5 Giving an Up-To-Date Impression

Emerald (2013) considers that the lack of feedback from companies after jobseekers send their applications is one of the causes behind the reduced number of applicants, since they may feel that the company has high expectations, subsequently reducing the number of applicants, resulting in not being able to find the 'right fit' person. Other than that, using the online recruitment system eases navigation besides allowing applicants to track their application status. In addition, online vacancy adverts can be tailored to specific vacancies and adjusted quickly if they are not effective. The E-recruitment system can also include pre-screening assessment by programming the computer to 'weed out' applicants who are not qualified, or the computer can invite all applicants to sit a test before the application is accepted (Beardwell and Claydon, 2010; Rees and French, 2010).

3.6 Pre-Screening Assessment

Based on the traditional method, the objective of recruitment is to find the 'right fit' employee who has consistent personal qualities while the possibility of employing a person with undesired behavior is reduced. Therefore, some companies organize a multistage recruitment process, which creates a stressful, high pressure situation that candidates are expected to be able to cope with (Townsend, 2007). By using an online recruitment system, the filtering process may proceed with no discrimination during the search for contributions and skills (Emerald, 2013). Faliagka *et al.* (2012) also proposed a system that sorts applicants in ranking order according to a set of criteria.

3.7 Competition

Online recruitment is effective in terms of providing competitive edge to firms, enhancing company reputation and increasing the quality of candidates (Gravili, 2003). Besides, E-recruitment helps enhance corporate image and profile (Barber, 2006) and it gives the impression that the company is up to date (Beardwell and Claydon, 2010). Moreover, owing to the economy and global competition these days, hiring the best people is a critical issue (Mondy and Mondy, 2012).

◼4.0 PROPOSED CONCEPTUAL FRAMEWORK

After gathering and reviewing the available literature on related topics, the proposed research framework is presented (Figure 2). Figure 2 displays seven factors inducing organization management to move towards E-recruitment, namely Faster Recruitment Process, Easier Administration, Cost Reduction, Larger Candidate Pools, Giving an up-to-date Impression, Pre-screening Assessment and Competition.
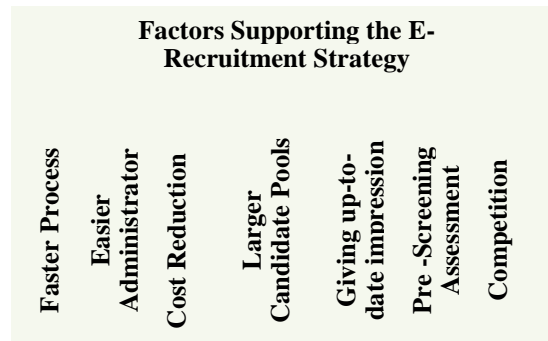
Factors Supporting the E-Recruitment Strategy

Faster Process **Easier Administrator** **Cost Reduction** **Larger Candidate Pools** **Giving up-to-date impression** **Pre -Screening Assessment** **Competition**

Figure 2 The conceptual framework

◼5.0 CONCLUSION

In conclusion, although traditional recruitment is still currently used to internally and externally draw candidates, the revolution of information and communication technology as well as the Internet have led to extensive changes in all organizational activities, including human resource management functions in general and recruitment in particular. Based on a literature review, E-recruitment is the future trend; therefore organizational management necessitates additional confirmation in this direction. Seven factors were extracted from the literature and provided as evidence in support of top managers choosing E-recruitment to select and appoint new employees.

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