E-RECRUITMENT CHALLENGES

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ABSTRACT

Recruitment has become an important process in the highly competitive labour market. The traditional methods of recruitment had been revolutionised by the emergence of the Internet. e-Recruitment is the latest trend in the recruitment process and it has been adopted in many organisations from large to small-sized companies. Many companies use e-Recruitment to post jobs and accept resumes on the Internet, and correspond with the applicants by e-mail. The main success factors of e-Recruitment are the value-added services provided by the job sites, cost-effectiveness, speed, providing customised solutions, helping to establish relationships with HR managers and facilitates brand building of the companies. Though there are many benefits to the employers and the job seekers in e-Recruitment, it still has its own limitations and shortcomings. The case study helps to analyse the overall trends in e-recruitment use and practice, e-recruitment methods, E-Recruitment Challenges and issues of E-Recruitment and its increasing scope in the recruitment process of a company.

Pedagogical Objectives:

1. To understand the trends and practices of e-Recruitment in the recruitment process of a company
2. To compare the traditional recruitment process with e-Recruitment and also discuss the advantages and disadvantages of e-Recruitment
3. To analyse the potential of e-Recruitment and the challenges faced by it.
4. To analyse the recent trends of Recruitment practices


INTRODUCTION

E-recruiting, embracing the term web-based recruiting, can be described as any recruiting processes that a business organisation conducts via web-based tools, such as a firm’s public Internet site or its corporate intranet. We use the terms online recruitment, Internet recruitment, and e-recruitment interchangeably. This e-recruitment study set out to answer the following questions, using evidence-based research:
1. What are the overall trends in e-recruitment use and practice? Which parts of systems are web-enabled and what are the related benefits and challenges?

2. What is happening in practice? What are the e-recruitment methods that are being used, and what are the real experiences from organisations attempting implementation?

3. Does it work? How do organisations evaluate the success of their e-recruitment initiative?

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Trends in e-recruitment
There is growing evidence that organisations are using Internet technology and the World Wide Web as a platform for recruiting and testing candidates. The IES survey of 50 organisations using e-recruitment reported that the primary drivers behind the decisions to pursue e-recruitment were to:

- improve corporate image and profile
- reduce recruitment costs
- reduce administrative burden
- employ better tools for the recruitment team.

The trends in e-recruitment use suggest a changing landscape whereby in future the candidate is connected to the central system and there is involvement of the line manager in the process (see figure). In addition to the reported benefits such as cost efficiencies, the role of HR in this model is viewed as more of a facilitative role, in theory allowing time for recruiters to become involved in the strategic issues within resourcing.

Fig. 1: The e-recruitment landscape

Source: IES
E-Recruitment Methods
Advertising job openings, tracking the source of applications, and online enquiry forms, were the most frequently used methods for attracting candidates. In many cases, web-based technology in selection and assessment is only being used by the most selection-sophisticated organisations that can afford the high start-up and maintenance costs. The IES survey reported that, out of the 50 organisations surveyed:

- a large proportion were using online application forms (67 per cent)
- only four per cent were using psychometric tests online.

There was wide variety in the extent to which online applications were structured, and also in how they were screened, eg electronically by keywords or manually. There exists a great deal of variation and less maturity in this part of the e-recruitment process in terms of application and use, than in the application of Internet technology at the attraction stage of the process.

In terms of applicant tracking and workflow systems, of the 50 organisations surveyed, 78 per cent received CVs and application forms online, 49 per cent used email response letters, with 39 per cent using progress-tracking systems. Only nine per cent provided status reports to hiring managers.

E-RECRUITMENT CHALLENGES

From the employer viewpoint:

- The best candidates for a job are likely already employed by your competitors. But identifying these candidates is a hard problem, convincing them to come and work for you is harder still.
- The hiring pipeline (screening, interviewing, etc.) is often fairly unreliable at separating the good candidates from the bad.
- References are almost worthless now, as people have stopped giving bad references.
- Mismatch between hiring schedule of employers and candidates means that often when good candidates are available, job vacancies aren't.

From a candidate viewpoint:

- Most candidates are weak negotiators only negotiating their salary a handful of times in their lifetime. The company likely negotiates salaries on a daily basis, hence negotiations tend to favour the more experienced employer.
- Finding a company you want to work for is hard
- Opaqueness of the hiring process is often frustrating (candidates often left "hanging" rather than rejected outright)
- It's hard to tell what a company's culture is like internally before you work there.
- Salaries are blinded, often companies give no indication of the salary of a role.
Job boards are often filled with dead/fake/expired jobs

Most of these problems are fundamentally information asymmetry problems, so it's certainly feasible that the internet could be used to tackle them.

**From a job seekers’ perspective**

Online recruitment is not meant for everyone and it is not a solution for all hiring needs. It is always important to keep in mind how an online environment affects the applicant pool (Boone and Kurtz, 2010). The greatest barrier of online recruitment lies with the type of job seekers who are attracted towards online recruitment portals.

Ethnic difference, gender and age play a major role in the usage of online recruiting portals. It has been identified that well educated young individuals with literacy towards computers are attracted more to seek job through online recruitment. Age as criteria negatively affects the use of online recruitment portals in applying for a job. It has also been identified that the rate of usage of online recruitment portals for applying a job is same among men and women in Canada and United States, but not in other nations (Waddill and Marquardt, 2011). Further it has been estimated that employed men use online recruitment portals for searching a job.

Personality and education background of the job seekers also play a major role in determining their usage of online recruitment portals. Since application through online requires computers, individuals with no computers are less likely to use them as a medium for applying for a job. In addition to that, online recruitment is mostly meant for white collar jobs, people who look for blue collar jobs cannot make use of them. Arthur (1998) state that the internet tends attracts those with four year or graduate degrees. Conversely, those with low level of confidence on using computers do not prefer to make use of online recruitment portals in seeking job.

Thus it can be concluded that online recruitment is not always suitable for individuals who intend to find a job. Online recruitment can yield the best results when used by appropriate persons in an appropriate way and at the appropriate time.

**Executive Summary**

The e-recruitment market scarcely existed a mere 15 years ago, but now it is arguably the main market for the overall recruitment industry. 77% of households in the UK had Internet access in 2011, according to data from the Office for National Statistics, and the industry has a very large potential market. However, findings from an exclusive survey commissioned by Key Note, and carried out by NEMS Market Research in January 2012, revealed that 43.9% of respondents had used the Internet to search for a job.

The industry definition of e-recruitment is any recruitment activity where the main method of correspondence and communication is over the Internet. It covers the activity of employers, recruitment agencies and prospective employees, recruiting for permanent and contract work, other recruitment-related issues, such as career management, personal development, assessment tasks and assessment sectors, and finally recruitment-related methods such as companies and individuals using social networks like LinkedIn.
There are three main electronic steps in the e-recruitment process. These are known within the industry as ‘the three Es’. These are: attracting applications, managing applications and selecting candidates. It is important for any potential employer to have a plan involving these three Es in order to successfully hire the right candidate.

**Modern Trends Of E-Recruitment**

- **Speedy communication**: Company and the prospective employee can communicate with each other via the blogs. Thus blogs, podcasts, vodcasts are being considered a tool of e-recruitment. No more the process can be blamed for being one way communication like mails, faxes only being speedy as done electronically. Podcasts are the services of digital media files. Vodcasts are the video podcasts.

- **Candidate’s preference**: History states that employers had the privilege to be selective in hiring process, especially in screening resumes but were not always fair. Because of the time constraint it was not possible to go through all the applications. Today the candidates can choose their employers as not only the financial state is known to them but also the culture is known. Applying for the Organization will no more be influenced only by the image.

- **Search engine advertisement**: Print ad is phasing out due the popularity of search engine ads. Pay-per-click is not only convenient but also more attractive.

- **RSS feed**: Job boards are embracing RSS feed. Hotjobs, Google deserves special mention. Google offers one to upload the jobs on Google Base even when one doesn’t have their own site. RSS can be read using software “RSS reader”. It is a family of web feed formats use to publish frequently updated works. Such as blog entries, news headlines in a standard format.

**Conclusion**

What are the key messages from our research? In examining the findings, the key message for recruiters is to acknowledge that the adoption of e-recruitment is about more than just technology. It is about the recruitment system being able to attract the right candidate, the selection process being based on sound and credible criteria, and the tracking process being able to integrate with existing systems. Perhaps most significantly, e-recruitment is about cultural and behavioural change, both within HR and at line management level. From our evidence, we suggest that for e-recruitment to deliver, it is about developing the capability of HR to facilitate the system and to view the staffing process as an end-to-end process, similar to that of a supply-chain.
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