An Empirical Study on the Evaluation of the Recruitment Program

Niraj Kishore Chimote
Vansh Agarwal
Yashaswini Sahay
ICFAI Business School
(nirajkishore.chimote@gmail.com)
(vanshagarwal14365@gmail.com)
(sahayyashaswini@gmail.com)

This study is based on the factors affecting the recruitment program. Organizational factors and environmental factors influence the effectiveness of the recruitment program. This study is being conducted on full time MBA students of a recognized private school in Hyderabad who are in their 2nd year awaiting their placements. The objective of this research paper is to explore the organizational and environmental factors influencing the recruitment program. The second objective is to find out which of these explored recruitment factors are significant in determining the effectiveness of the program. The primary data will be collected from the students in the form of a questionnaire survey administration with the usage of Likert scale. The research methodologies used will be factor analysis and regression. The result obtained in this study will help the future researcher to link the feedback of the evaluation of the recruitment program with the factors that influence the recruitment program.'

1. Introduction

Evaluating the effectiveness of recruitment and selection is essential for any organization. It helps to ensure that the right people are being hired for the right roles, and that the organization is getting the best value for its investment in talent acquisition. Organizations are more successful when they hire the right people, successfully on-board them

Key Factors to Evaluate your Recruitment Process
There are several key factors to consider when evaluating the effectiveness of your recruitment process. Here are some key areas to consider:

1. Candidate Quality
One of the most important factors to consider when evaluating the effectiveness of recruitment and selection is the quality of the candidates that are being hired. This includes not just their skills and qualifications, but also their cultural fit within the organization.

2. Time-to-Fill
Another key metric to consider is the time it takes to fill open positions. If it is taking a long time to fill positions, it could indicate that the recruitment and selection process is not effective. This could be due to a variety of factors, such as a lack of qualified candidates, a poorly designed job posting, or a slow or inefficient hiring process. To address this issue, organizations can review their recruitment and selection processes to identify any bottlenecks or inefficiencies, and work to streamline them

3. Retention Rate
Another important factor to consider is the retention rate of new hires. If new hires are leaving the organization shortly after being hired, it could indicate that they were not a good fit for the role or the organization. To assess retention rate, organizations can track the length of time that new hires stay with the organization, and compare it to industry benchmarks. If the retention rate is lower than expected, it may be necessary to review the recruitment and selection process to identify any weaknesses or areas for improvement.

4. Cost-Per-Hire
It is also important to consider the cost of the recruitment and selection process, including any advertising costs, agency fees, or employee time spent on the process.

5. Diversity
Another important factor to consider when evaluating the effectiveness of recruitment and selection is diversity. Organizations should aim to create a diverse and inclusive workforce, and this starts with the recruitment and selection process. To assess the diversity of the candidates being hired, organizations can review the demographics of new hires, and compare them to the overall demographics of the organization.

6. Candidate Experience
It is also important to consider the experience of candidates throughout the recruitment and selection process. If candidates have

a negative experience during the process, it could impact their perception of the organization, and potentially discourage them from applying for future roles.

7. Hiring manager Satisfaction

The satisfaction of hiring managers is also an important factor to consider when evaluating the effectiveness of recruitment and selection. If hiring managers are not satisfied with the quality or fit of candidates, it could indicate that the recruitment and selection process is not meeting their needs.

2. Literature Review

Priyanath (2006) argues that a major challenge faced is the difficulty in recruiting the employees due the lack of systematic method for recruiting. A systematic selection process involves the recruiting process, gathering information about qualified applicants, evaluating the qualification of each applicant and making decisions about employment. On the contrary, it is observed that most of the organizations have an element of informality which makes it difficult to analyse the success or failure of a recruitment program. Hughes J.C. & Rog E. (2008) opine that the external & internal drivers and the restraints for talent management are many. Of particular importance is the senior management's understanding and commitment for the recruitment process. Gazzawi, et al., 2014 lists implementation of the web services and the internet solutions to operate the recruitment as the critical success factor of the recruitment system which may achieve the goals of the e-recruitment process in a clean and easy manner. The recruitment program is influenced by the following

Organizational Factors

- A major factor that determines the success of a recruitment program is the reputation of the organization. The organizations reputation depends on its size, area of business, profitability, management etc., in addition to its philosophy and values.
- The organizational culture and attitude of its management towards its employees also influences a candidate's decision to apply for an organization. An organization that is known for its employee friendly policies would certainly be preferred over an orthodox and rigid organization.
- The geographical location of the vacant position also contributes to the success of the recruitment program. Prospective candidates might not be too eager to work in a remote place unless they belong to that place.
- The emoluments that the company offers to the prospect also influence the decision of a candidate and thereby the success of the recruitment program.
- The channels and methods used to advertise the vacancy also determines the success of the recruitment program. The reach of advertisement has to be wide and its effect deep enough to attract the right talent.
- The number of resources allocated also determines the success of a recruitment drive. This resource allocation is in turn depends on the criticality of the vacant position and the time available to fill the vacancy.

Environmental Factors

- Situation in the labour market
- Demand for manpower
- Demographics
- Knowledge and skill sets available
- Development stage of industry to which organization belongs
- Culture, social attitudes and beliefs
- Legal implications

The success of a recruitment program can be judged based on a number of criteria which are:

- The number of successful placements.
- The number of hiring
- The number of offers made
- The number of applicants
- The cost involved
- The time taken to fill up a vacancy

Research Gaps: The purpose of acquiring talent isn't achieved when there is no awareness of several factors that are related to the organization itself and the environment around it. The company may choose to settle and compromise with job profiles that are close to having similar requirements. There is a wide gap between the profiles sourced and the candidates interviewed due to a failure to understand the actual requirements of the company. Reaching out to people electronically gets difficult as the potential candidates don't update their online profiles or resumes with their contact details, quite a few numbers of times.

3. Objectives of the Study

- To explore the factor influencing the campus recruitment program in a premier business school based in Hyderabad.

- To find out which of those explored recruitment factors significantly influenced the effectiveness of the campus recruitment program.

4. Research Methodology

This research is conducted by primary data collected by survey with the usage of Likert Scale as well as research using second-hand data listed in different databases of books, research papers, and related articles to the study. Research emphasised on Exploratory Factor Analysis for grouping factors affecting the campus recruitment program.

In the context of a recruitment process, dependent and independent variables play a crucial role in analysing and optimizing recruitment strategies. That are mentioned below:

Independent Variables
- Reputation of the organization
- Organizational Culture
- Development stage of industry to which organization belongs
- Geographical location of the vacant position
- Demographic variables
- Situation of the labour market
- Legal implications
- Channels and methods used to advertise vacancy
- Emoluments offered

Dependent Variables
- Number of successful placements
- Number of hiring
- Number of applicants
- Time involved for filling up the position

Analysis of the Data

This study has been conducted on the basis of primary data collection through a questionnaire developed on the basis of the literature review. The respondents chosen for this study were 2nd year MBA students awaiting their placements of batch 2023-25 of a private business school based in Hyderabad. The structured questionnaire was administered throughout the entire batch of 250 students out of which the useful responses received were 66 in number. Factor analysis and multiple regression are the two statistical techniques that have been used to analyse the data in this study through a software namely Statistical Package for Social Science (SPSS).

Reliability Analysis: The Cronbach alpha (Data Consistency) has been calculated as 0.644.

Table 1 *Reliability Statistics*

Cronbach's Alpha	N of Items
0.644	9

Exploratory Factor Analysis through Principal Component Analysis (Malhotra, N., & Dash, S. 2009)

Table 2 *KMO and Bartlett's Test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.641
Bartlett's Test of Sphericity	Approx. Chi-Square	79.783
	df	36
	Sig.	0.000

Table 3 Total variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.406	26.729	26.729	2.406	26.729	26.729
2	1.412	15.688	42.416	1.412	15.688	42.416
3	1.308	14.532	56.949	1.308	14.532	56.949
4	0.885	9.831	66.780			
5	0.796	8.848	75.628			
6	0.703	7.808	83.436			
7	0.546	6.070	89.507			
8	0.517	5.744	95.251			
9	0.427	4.749	100.000			

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	2.011	22.341	22.341
2	1.650	18.334	40.675
3	1.465	16.274	56.949

Table 4 *(Varimax) Rotated Component Matrix*

	Component		
	1	2	3
Emoluments	-0.025	-0.012	0.722
Reputation	-0.006	0.166	0.773
Stage	0.588	-0.374	0.444
Culture	0.077	0.789	0.188
Location	0.358	0.363	0.302
Labour Market	0.731	0.144	-0.099
Legal status	0.785	0.056	0.077
Channels	0.179	0.792	-0.064
Demography	0.590	0.277	-0.060

Table 5 *Summary Table of Factors*

F1- Internal Factors	F2- External Factors	F3- Salary & Branding
		Emoluments
		Reputation
Stage		
	Culture	
	Location	
Labour market		
Legal status		
	Channels	
Demography		

Multiple Regression (Malhotra, N., & Dash, S. 2009).

The regression equation (Levin, R. & Rubin, D. 2002) is as follows:

$Y = \alpha + \beta 1 F1 + \beta 2 F2 + \beta 3 F3$

Where

Y= Evaluation of the Recruitment Program (Mean of the four dependent variables).

α= Intercept

F1 = Internal Factors

F2 = External Factors

F3 = Salary & Branding

β1, β2 & β3 = Slopes associated with F1, F2 & F3.

Regression as whole- ANOVA test

Null Hypothesis: Y does not depend upon the Fi 's i.e., H0: β1=β2=------------βk=0

Alternate Hypothesis: Y depends on at least one of the Fi

Table 6 *Variables Entered/Removed*

Model	Variables Entered	Variables Removed	Method
1	REGR factor score 2 for analysis 1	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).

Table 7 *Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.423	0.679	0.166	0.60526

Predictors: (Constant), REGR factor score 2 for analysis 1

Table 8 *ANOVA*

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.036	1	5.036	13.746	0.000
	Residual	23.080	63	0.366		
	Total	28.115	64			

a. Dependent Variable: Mean DV

b. Predictors: (Constant), REGR factor score 2 for analysis 1

Table 9 *Coefficients*

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.673	0.075		48.926	0.000
	REGR factor score 2 for analysis 1	0.281	0.076	0.423	3.708	0.000

Table 10 *Excluded Variables*

Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
						Tolerance
1	REGR factor score 1 for analysis 1	0.190	1.685	0.097	0.209	1.000
	REGR factor score 3 for analysis 1	0.019	0.168	0.867	0.021	1.000

Dependent Variable: Mean DV
Predictors in the Model: (Constant), REGR factor score 2 for analysis 1

5. Results and Conclusion

- **For Objective 1:** The explored factors that influence the Recruitment Program of the advertising company are Internal (Organizational) Factors and External (Environmental) Factors and Salary & Branding.
- **For Objective 2:** Regression analysis indicate that the null hypothesis for Beta Coefficients has been rejected for Factor 2 only. Thus, it can be statistically concluded that Evaluation of the Recruitment Program of the private B-School is influenced by External Environmental Factors including Organizational Culture, Geographical Location and Advertising Channels.

Limitations

- The study results are restricted to a private Business school based in Hyderabad.
- The sample size considered may restrict its scope to generalize the results.
- A few variables have not been considered in the analysis because of the requirement of the campus placement program.

Questionnaire

On a scale of (1) Strongly disagree (2) Disagree (3) Neither agree nor disagree (4) Agree (5) Strongly agree, please circle (O) the appropriate rating.

1. The salary offered by a company influences your decision to apply for a particular job role.
2. The recruitment program of the company attracts better response because of its reputation.
3. The development stage of the company influences your decision to consider the job.
4. The cultural aspect of the organization mentioned in the JD document and the website will influence your decision to apply for the company.
5. The geographical location of a proposed position in the company contributes significantly to apply for a job role.
6. The current situation of the labour market influences the decision of a candidate to appear in a recruitment process.
7. The legal status of the recruiter influences your decision to apply for the job role.
8. The channel and method used to advertise the vacancy influences your decision to apply for a job.
9. The demographic factors such as, age, gender and educational qualification linked with the job profile influences your decision to apply for a job.
10. The number of hiring initially made by the recruiter for a proposed job role in the company makes the recruitment program efficient.
11. Number of candidates successfully placed at the right locations in the right job profile ensures the successful recruitment program.
12. The number of applicants finally recruited for the proposed vacant position results into effectiveness of the recruitment program.
13. The actual time taken for filling up the vacancy throughout the recruitment process ensures the success of the recruitment program.

6. References

1. Dessler, G. (2015). Human Resource Management. 14th ed. Pearson Education India.
2. Ghazzawi, K., Abdallah, A., Abdallah, J., & Accoumeh, A. (2014). Critical success factors of the e-recruitment system. International journal of marketing and human resource management, 5(3),01-09.
3. Hughes, J. C., Rog, E. (2008). Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations. International Journal of Contemporary Hospitality Management, 20, 743-757.
4. Levin, R. and Rubin, D. (2002). Statistics for Management. Prentice Hall of India Private Limited. India.
5. Malhotra, N., & Dash, S. (2009). Marketing research: An applied orientation. 5 th ed. Pearson Education India.
6. Priyanath, HMS, (2006). Managerial Deficiencies in the Small and Medium Enterprises (SMEs) in Sri Lanka: An Empirical Evidence of SMEs in the Ratnapura District. Sabaragamuwa University Journal, 6(1), 93-105.