

An Empirical Study On The Of Methods Of Recruitment In Select It Industries In Bangalore

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ABSTRACT

Human capital is most important form of asset and it is more valuable for business organisations like Information technology industries. Managing the human resource is the vital function of organisations. Recruitment is the process of searching prospective employees to apply for the job posting in the organisation. Selection is the process of choosing an appropriate candidate among the job applicants. While recruiting the candidates the organisations has has to map carefully the available human resources because they create the competitive advantage for the organisation. The entry of multinational companies the business organisations are advancing modern recruiting and selection methods. The most important method of recruitment consists of five components. Job posting locations, placement agencies, educational institutions, internal sources and external sources. The present study considers all the five important aspects of recruitment. Among these, job posting locations can be made from newspapers, internet and internal referral programmes. Placement agencies includes employment agencies, executive search firms and both. Educational institutions includes college placement offices, job career fairs and both. Internal sources consists of employee referrals, job rotation and both. External sources includes web sites, technical and web forums and both. The data for the present research study has been collected from 300 top management personnel of major IT companies operating in and around Bangalore. Data was entered in SPSS software. Simple percentage analysis was used to ascertain the opinion of the respondents on the methods of recruitment and to test the effectiveness of recruitment policy in select IT companies in Bangalore a famous AMOS software was used and the structural equation model was employed to find out the results.

Keywords: Human resource, recruitment, selection, websites, IT companies

INTRODUCTION

Human resource management is the essential function of organizations. Among the HR practises recruitment is the basic function where employees enter into the organizations. Recruitment is the process of searching prospective employees to apply for the job posting. Selection is the process of choosing an appropriate candidate among the job applicants. Selection process starts after the completion of the recruitment process. Recruitment is the positive aspect where as selection is the negative aspect of HR practises. Recruitment and selection policies should be ethical for the organizations in order to sustain in the competitive environment. Recruitment is the first step then after selection and placement comes in the employment process. Employers aim is to choose an appropriate candidate suitable for that particular job. Recruitment is the activity done by the HR's in many organizations. The recruitment process differs from one organization to others. According to Edwin B. Flippo recruitment is the process of attracting the candidates and making them to apply for the job. Recruitment process followed at many Indian organizations is by framing the recruitment policy and

then making the policy into action. Sources of the traditional recruitment are by employee referrals, transfers and promotions, walk-in and by the advertisements. In the modern economy the recruitment process was drastically changed with the entry of social media. Many organizations are following the online recruiting methods for attracting the prospective employees. There are many factors that affect recruitment process like organization culture, working hours, facilities, salary, welfare, brand image, good will, location and etc. Selection is the second step in the in the process of man power planning. Selection is the process of choosing the appropriate candidate which matches the candidate skills and the job requirements. There are many factors that are to be considered while selecting a candidate those are like group discussions, employment background, referral background, interviews, medical tests and etc. The most important method of recruitment consists of five components. Job posting locations, placement agencies, educational institutions, internal sources and external sources. The present study considers all the five important aspects of recruitment. The data for the present research study has been collected from 300 top management personnel. . Data was entered in SPSS software. Simple percentage analysis was used to ascertain the opinion of the respondents on the methods of recruitment and to test the effectiveness of recruitment policy in select IT companies in Bangalore a famous Amos software was used and the structural equation model was employed to find out the results and presented in this study.

OBJECTIVES OF THE STUDY

1. to study the opinions of the respondents on major methods of recruitment such as job posting locations, placement agencies, educational institutions, internal sources and external sources
2. to examine the effectiveness of recruitment polices adopted by the major IT companies in Bangalore.
3. to suggest suitable policy measures for effective recruitment and selection of employees.

METHODS OF THE STUDY

Primary data was collected from 300 respondents of top management officials of major IT companies operating in and around Bangalore. Questionnaire was distributed to the selected respondents through mail and the response was collected and the collected data was entered using SPSS package. Percentage analysis was used to test the opinions of the selected respondents and also Structural Equation Model was employed to analyze the effectiveness of recruitment policy adopted in selected IT companies of Bangalore.

MATERIALS AND METHODS

1. Balyan Ram Kumar (2007) has shared his experience in the article titled as “Changing Pattern of HRM Practices under Globalisation: A Case study of MNCs in India.” The author has carried out a research study of MNCs in India from different sector with one of the objectives of knowing and highlighting the HRM practices adopted by MNCs to deal with the competitive situation. The author on the basis of data collected and situation observed, has found the following HRM practices adopted by MNCs in India. 1. HR planning 2. Recruitment and selection 3. Orientation 4. Training 5. Compensation 6. Industrial relations f. working environment 8. Performance Appraisal and 9. Promotion. To improve the HRD practices the author suggests the following points. HR. manager should have term approach. HR managers approach should be proactive rather than reactive. Top management should not go for bureaucratic style to deal with HR related activities. The author suggests improvement in the competency of HR manger relating to human behaviour legal procedures, rules and policies of the corporation to improve personal credibility, business knowledge, HR expertise, change dealing expertise etc. In nutshell, the author says that the HRM practices adopted by MNCs in India are properly matched according to needs of present time.

2. Srimannarayana M (2008) has attempted in an article “HRD Climate in India” to assess the extent of HRD climate prevailing Indian organizations. He has collected information from 1905 employees working in 42 organizations covering manufacturing, services and IT sectors in India. He

has found that the HRD climate prevailing in Indian organizations in India is only moderate. In comparison, the HRD climate in manufacturing sector was better than in the service sector.

3. Purang Pooja (2008) in the article titled as “Dimensions of HRD Climate Enhancing Organizational Commitment in Indian Organizations” measures the HRD climate in terms of various dimensions like participation, succession planning, training, performance appraisal and job enrichment and its relationship between the ten dimensions of HRD climate and organizational commitment. The study propounds that the positive perception which further enhances the performance of manage.

4. Mr. S. Sundararajam (2009), in “Emerging Trends of HRD Practices in Cooperative Sector- Perspective Approach” has observed on the basis of survey of employees working in a few cooperative organizations located in the south west part of Tamilnadu, that overall HRD climate in the cooperative sector organizations appeared to be neither good nor bad. The senior employees perceived that the HRD climate should be improved in the present competitive environment. In general, the employees showed unfavorable attitude towards, HRD policies and practices. The author gives overall conclusion of his study that the development of human is a specialized operative function of personnel department. Lastly he says that we cannot prepare the future for the next generation, but we can prepare the next generation for the future.

DISCUSSION AND RESULTS

RECRUITMENT POLICY ADOPTED IN SELECT IT COMPANIES IN BANGALORE PERCENTAGE ANALYSIS

In this section percentage analysis was employed to analyze the data on the methods of recruitment policy practiced in select IT companies in Bangalore such as job posting location, placement agency, educational institutions, internal sources and external sources and the results are furnished in the consequent tables.

1. JOB POSTING LOCATIONS

Job posting locations play a vital role in the job environment. It can be determined and viewed from various sources. To analyze the job posting locations, fours classifications like media which advertise job like newspaper, internet, internal referral , programme and both are classified and analyzed and the details are ascertained in the ensuing table.

JOB POSTING LOCATIONS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid newspaper	72	24.0	24.0	24.0
internet/internal referral programme	93	31.0	31.0	55.0
both	135	45.0	45.0	100.0
Total	300	100.0	100.0	

Source: **Primary data**

It is learnt from the above table that 24 percent of the respondents located their jobs through newspapers, 31 percent of the respondents seek their jobs through internet/internal referral programme and 45 percent of the respondents got their jobs through newspaper and internet/internal referral programmes. It is concluded from the above analysis that majority of the respondents located their jobs both through newspapers and internet/internal referral programmes.

2. PLACEMENT AGENCY

Placement agency provides job to the job seekers and select the right cadres to the right jobs. This agency plays a vital role in providing job facility to the unemployed graduates. To analyze the various placement agencies which are providing job, three classification was made like employment agencies, executive search firm and both. The data was analyzed and the results are exposed in the subsequent table.

PLACEMENT AGENCY

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid employment agencies	199	66.3	66.3	66.3
executive search firms	53	17.7	17.7	84.0
Both	48	16.0	16.0	100.0
Total	300	100.0	100.0	

Source: **Primary Data**

It is evident from the above table that 66.3 percent of the respondents opined that they are recruited to the jobs through employment agencies, 17.7 percent of the respondents viewed that executive search firms provided jobs to them and 16 percent of the respondents were recruited through both employment agencies and executive search firms. It is concluded from the above analysis that majority of the respondents placement was through employment agencies.

3. EDUCATIONAL INSTITUTIONS

Nowadays educational institutions provide their students by conducting job mela by calling famous companies which are arranged in their campus and select their students to various agencies. Keeping this mind classification was made as college, placement officers and job and carrier fairs and the data was analyzed and the results are disclosed in the pursuing table.

EDUCATION INSTITUTIONS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid College	56	18.7	18.7	18.7
placement officers	90	30.0	30.0	48.7
job and carrier fairs	154	51.3	51.3	100.0
Total	300	100.0	100.0	

Source: **Primary Data.**

It is obvious from the above table that 18.7 percent of the respondent opined that their placement agency was college, 30 percent of the respondents propound that placement officers provided placement to them and 51.3 percent of the respondents ventured that job and carrier fairs provided placement to them. It is concluded from the above analysis that majority of the respondents surmise that placement officers plays a major role in providing them job.

4. INTERNAL SOURCES

Internal sources also provide employment to the right candidates who are searching for their employment. Keeping this mind three classifications were made viz., employee referrals, job rotation and both and data was analyzed and the results are ascertained in the posterior table.

INTERNAL SOURCES

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid employee referrals	74	24.7	24.7	24.7
job rotation	64	21.3	21.3	46.0
both	162	54.0	54.0	100.0
Total	300	100.0	100.0	

Source: **Primary Data**

It is noticeable from the above table that 24.7 percent of the respondents put forward that employee referrals accommodate them in the suitable jobs, 21.3 percent of the respondents propound that job rotation impart them right jobs and 54 percent of the respondents conceived that both employee referrals and job rotation dispensed them with right type of jobs. It is concluded from the above analysis table that majority of respondents declared that both employee referrals and job rotation measures fixup them with their employment opportunities.

5. EXTERNALSOURCES

Employment opportunities are provided not only by internal sources like employee referrals and job rotation but also by external sources like websites, technical web forum etc. websites and web forum publish employment opportunities for those who are seeking employment. Keeping this in mind three classification was made and the primary data was analyzed and the results are unveiled by the pursuing table.

EXTERNAL SOURCES

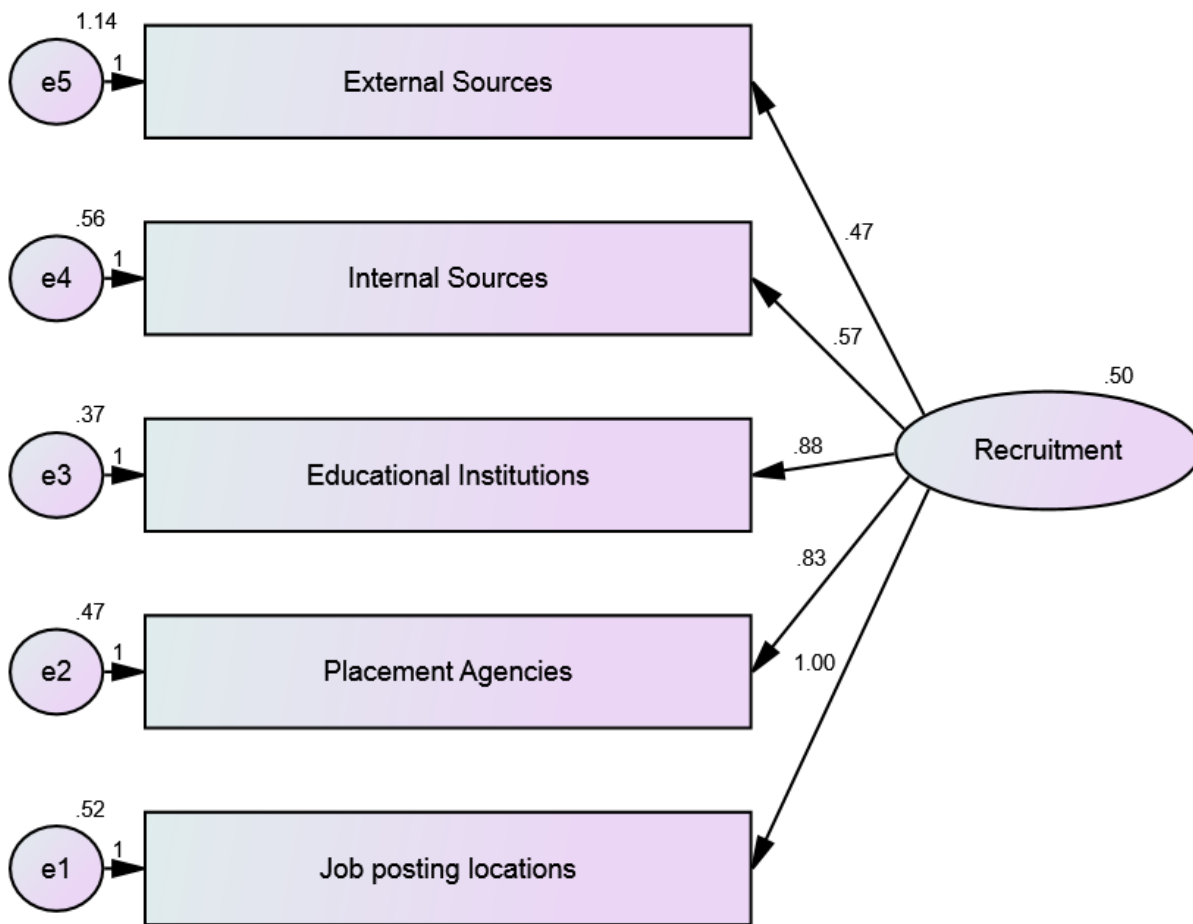
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Websites	69	23.0	23.0	23.0
technical web forums	66	22.0	22.0	45.0
Both	165	55.0	55.0	100.0
Total	300	100.0	100.0	

Source: **Primary Data**

It is transparent from the above table that 23 percent of the employees declared that websites cater the employment opportunities to them, 22 percent of them indulged with technical web forums for the same and 55 percent of the respondents surmised that both websites and technical web forums take care of them for their job. It is concluded from the above table that majority of the respondents presumed that both websites and technical web forums afford them job facilities.

STRUCTURAL EQUATION MODEL

To test the effectiveness of recruitment policy followed by the select IT companies in Bangalore, Structural Equation Model was employed using AMOS software and the results are presented below.



Models

Default model (Default model)

Notes for Model (Default model)

Computation of degrees of freedom (Default model)

Number of distinct sample moments:	15
Number of distinct parameters to be estimated:	10
Degrees of freedom (15 - 10):	5

Result (Default model)

Minimum was achieved

Chi-square = 4.475

Degrees of freedom = 5

Probability level = .483

Group number 1 (Group number 1 - Default model)

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Job posting locations	<---	Recruitment	1.000				
Placement agencies	<---	Recruitment	.827	.137	6.043	***	par_1
Educational institutions	<---	Recruitment	.880	.140	6.287	***	par_2
Internal sources	<---	Recruitment	.566	.120	4.726	***	par_3
External sources	<---	Recruitment	.469	.152	3.084	.002	par_4

The above table shows the regression co-efficient of the exogenous variables. It is noted that the critical ratio of job posting locations, placement agencies, educational institutions, internal sources and external sources is above table value 2.977 and it is significant at 1 percent level. All the selected variables job posting locations, placement agencies, educational institutions, internal sources and external sources are the most influenced sources for methods of recruitment in select IT industries in Bangalore.

Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Recruitment	.500	.122	4.118	***	par_5
Job posting locations	.519	.090	5.782	***	par_6
Placement agencies	.471	.072	6.513	***	par_7
Educational institutions	.368	.067	5.526	***	par_8
Internal sources	.557	.071	7.820	***	par_9
External sources	1.138	.136	8.362	***	par_10

From the above covariance matrix, it is identified that the critical ratio value of all the five combinations of variables is higher than the table value of 2.977. All the selected variables job posting locations, placement agencies, educational institutions, internal sources and external sources are the most influenced sources for methods of recruitment in select IT industries in Bangalore.

Model Fit Summary

CMIN

The following table shows that CMIN for the default model. A significant chi-square indicates satisfactory model fit.

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	10	4.475	5	.483	.895
Saturated model	15	.000	0		
Independence model	5	133.902	10	.000	13.390

CMIN is a chi-square statistics comparing the default model and the independence model with the saturated model. The above table infers that the default model has been associated as 0.895 percent with saturated model and on the other side, the independence model has been associated as 13.39 percent with the saturated model.

RMR, GFI

The Root Mean Square Residual model is the mean absolute value of the co-variance residuals, which reflect the difference between observed and model-estimated covariance. Specifically, RMR is the co-efficient which results from taking the square root of mean of the squared residuals. The closer is RMR is to 0, the better model fit. The GFI is the goodness of fit index and is equal to 1-(chi-square for the default model/chi-square for the null-model).

Model	RMR	GFI	AGFI	PGFI
Default model	.013	.988	.964	.329
Saturated model	.000	1.000		
Independence model	.240	.685	.527	.456

From the above table it is indicated that the model is good fit by the influence of RMR value which is closer to zero, ie. .013, GFI (Goodness of Fit Index) refers to 98.8 percent has been fitted in the Default model for the proportion of variance-covariance matrix. On the other hand, 68.5 percent fit in the independence model.

Baseline Comparisons

The NFI, Normal Fit Index, also known as Delta1, was developed as the alternative to CFI, comparative fit index, is also known as the Bentler Comparative Fit Index, compares the existing model fit with the null model which assumes the latent variables correlates with the independent variables.

Baseline Comparisons

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	.967	.933	1.004	1.008	1.000
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

From the above table it is inferred that the model fit indices are good fit with the evidence of NFI(0.967), and CFI (1.000) which is greater than 0.9.

RMSEA

Root Mean Square Error of Approximation is the popular measure of fit, because it does not require comparison with the null model. It is one of the fit indices less affected by sample size. There is good model fit if RMSEA less than or equal to 0.05.

It could be noted from the above table that the RMSEA value is 0.000 which is lesser than 0.05 and the model resulted as good fit.

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.000	.000	.108	.671
Independence model	.288	.246	.333	.000

It could be noted from the above table that the RMSEA value is 0.00 which is lesser than 0.05 and the model resulted as good fit.

HYPOTHESIS

Hypotheses	Hypothetical Relationship	Result
H1: There is a positive impact of Job posting locations for the recruitment policy adopted in select IT companies in Bangalore.	Positive	Confirmed
H2: There is a positive impact of placement agencies function for the recruitment policy adopted in select IT companies in Bangalore.	Positive	Confirmed.
H3: There is a positive impact of educational institutions role for the recruitment policy adopted in select IT companies in Bangalore.	Positive	Confirmed
H4: There is a positive impact of internal sources for the recruitment policy adopted in select IT companies in Bangalore.	Positive	Confirmed.
H5: There is a positive impact of external sources for the recruitment policy adopted in select IT companies in Bangalore.	Positive	Confirmed

FINDINGS OF THE STUDY

From the above study it was concluded that the percentage analysis on which the opinion of the respondents was collected, majority of the respondents located their jobs through newspapers and internet/internal referral programmes. placement was done through employment agencies, placement officers plays a major role in providing them job, both employee referrals and job rotation measures fixup them with their employment opportunities and both websites and technical web forums afford them job facilities. The results of the Structural Equation model, the results of regression weight confirms that the critical ratio of job posting locations, placement agencies, educational institutions, internal sources and external sources is above table value 2.977 and it is significant at 1 percent level. All the selected variables job posting locations, placement agencies, educational institutions, internal sources and external sources are the most influenced sources for methods of recruitment, the results of the variances shows that the critical ratio value of all the five combinations of variables is higher than the table value of 2.977. All the selected variables job posting locations, placement agencies, educational institutions, internal sources and external sources are the most influenced sources for methods of recruitment. In Model fit summary the results of CMIN infers that the default model has been associated as 0.875 percent with saturated model and on the other side, the independence model has been associated as 13.39 percent with the saturated model. The RMR and GFI results indicates that the model is good fit by the influence of RMR value which is closer to zero, ie. .013, GFI (Goodness of Fit Index) refers to 98.8 percent has been fitted in the Default model for the proportion of variance-covariance matrix. On the other hand, 68.5 percent fit in the independence model. The Baseline comparison results that the model fit indices are good fit with the evidence of NFI(0.967), and CFI (1.000) which is greater than 0.9. The results of RMSEA shows that RMSEA value is 0.00 which is lesser than 0.05 and the model resulted as good fit. The Hypothesis of the model confirms that all the selected variables job posting locations, placement agencies educational institutions, internal sources of recruitment and external sources of recruitment are positively associated with the methods of recruitment policy adopted in select IT companies in Bangalore.

CONCLUSION AND SUGGESTIONS:

Before starting a recruitment and selection process, job descriptions should be defined for each role in the organization. Each job description should include the skills and education required to perform each role successfully, as well as a detailed list of responsibilities. Job descriptions allow employees to understand their roles and responsibilities, and also provide a tool for hiring personnel to use when choosing the most qualified candidates based on the requirements of the job. Policies and procedures should be defined and adhered to for the recruiting and selection process, and should ensure that everyone in the organization adheres to local, state and federal regulations. Policies should provide a list of guiding principles for hiring personnel to follow, and procedures should provide the required steps for recruitment and selection. If a small business has a human resource department, company policies and procedures should address this department's oversight of the hiring process. Once procedures are clearly defined, hiring managers and supervisors should be trained regarding the requirements of the process. Training should include not only what steps are required to recruit and select employees, but how to interview candidates appropriately and effectively. Include applicable laws and regulations, as well as the organization's goals during training. Small businesses should include a senior member of the organization during the recruitment and selection process. If an organization does not have a human resources department, someone who is responsible for making high-level decisions for the organization should be involved. This can be accomplished by including a senior member in the interview process. This provides direct oversight to the process and ensures the process is being completed to meet the expectations of the organization. Most candidates who interview will also appreciate the involvement of senior members of the organization because they feel their contributions will be recognized.

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