Project Dissertation

EMERGING TRENDS IN RECRUITMENT

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CERTIFICATE

This is to certify that the project work entitled ─EMERGING TRENDS IN RECRUITMENT, is a bonafide work carried out by Ms. Akanksha Tanwar of MBA 2015-17 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfillment of the requirement for the award of the Degree of Masters of Business Administration.

Signature of Guide   Signature of Head(DSM)

Place   Seal of Proof

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DECLARATION

I Akanksha Tanwar student of MBA 2015-17 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 declares that the project dissertation report on "EMERGING TRENDS IN RECRUITMENT" submitted in partial fulfilment of Degree of Masters of Business Administration is original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University for award of any other Degree, Diploma and Fellowship.

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Place

Date

ACKNOWLEDGEMENT

EXECUTIVE SUMMARY

Recruitment has become an integral method within the extremely competitive labour market. The standard ways of recruitment have been revolutionized by the emergence of the web. Recruitment is the latest trend within the recruitment cycle and it has been adopted in several organisations from large to small scale. Several corporations use E-Recruitment to post jobs and obtain resumes on the net, and correspond with the candidates by e-mail. The most essential success factors of E-recruitment are the added services provided by the work sites, price effectiveness, speed, providing custom-made solutions, serving to establish relationships with HR managers and facilitates brand building of the businesses. Although there are several advantages to the employers and also the job seekers in E-recruitment, it still has its own limitations and shortcomings. The project helps to investigate the general trends in E-recruitment practice, E-recruitment strategies, E-recruitment challenges and problems with E-recruitment and its increasing scope within the recruitment method of an organisation.

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1. INTRODUCTION

"Recruitment involves those practices and activities carried out by the organization with the main purpose of identifying and attracting potential employees" -Breaugh & Starke, 2000. It is an essential part of human resource management as it performs the essential function of attracting important resources i.e. human capital into the organization. Online recruitment, also known as E-recruitment is one of the worldwide trends for HR operations. It has transformed into a sophisticated interactive engine with the ability to automate every aspect of the hiring process virtually. The internet can ease the selection of candidates, especially where long distances are involved. E-recruitment has grown rapidly over the past ten years and is now widely used by both recruiters and job seekers across the world. The internet has verified to be a strong medium for the delivery of various kind of services like HR planning, HR evaluation, HR rewards and HR recruitment beneath the umbrella of E-HRM.

E-recruitment involves the following platforms:

- company web site for recruitment
- commercial jobs boards (such as "Monster.com" and "Naukri.com") for posting job advertisements
- social networking sites (like "LinkedIn")

The candidates can log in the corporate website for future job openings. The websites provide a link for the current job opening. However, if the organisation choses to advertise its vacant positions on alternate web site like "Naukri" or "Monster" then they are adopting job boards for recruitment. Organisations usually chose a recruitment method that suits their size and financial allocation for recruitment. Further the number of applications for an organisation's vacancy are affected by the method through which the company has communicated its vacancies.

Nevertheless, though it's well accepted that E-recruitment ends up increasing the chance to find the right candidate, facilitates geographical spread, fasten turn-around time/cost savings and higher quality of applicants, there is a great need for additional empirical proof to know the impact of E-recruitment.

"We are witnessing a change in the nature of jobs. Muscle jobs are disappearing, finger and brain jobs are growing or, to put it more formally, labor-based industries have been replaced by skill-based industries and these in turn will have to be replaced by knowledge based industries." -Charles Handy (1984).

Though Charles Handy tracked these radical changes long back in 1984, these touched India very recently. During the previous couple of years, India has witnessed an enormous economic growth. The service sector is the lifeline for the social economic growth of a nation. It is the largest and fastest growing sector globally contributing more to the global output and employing more people than any other sector. In alignment with the world trends, Indian service sector too is one of the major contributors to both employment and national income in recent times. It is estimated that in the near future close to a million new jobs will be created in the services sector. Recruitment provides the primary contact for an organization with its prospective employees. An organization must have an efficient recruitment policy and process to inform candidates about the job openings and induce them to apply for the available positions.

E-recruitment has been an issue of interest over the past decade. Internet is considered as the latest tool in recruitment. It is a real revolution spreading across the world of job hunting and hiring. The term online recruitment, E-recruitment, cyber recruiting, or internet recruiting, imply the formal sourcing of job information online. The primary references to E-recruitment appear in articles of the mid-1980s. While systematic reference to E-recruitment in the HR journals begins almost twenty years later, in the mid-1990s, when IT organisations and universities began to use the internet extensively. The closing of twentieth century gave rise to a vast debate regarding the response of HRM to the changing external and internal environment of the firm. Online job search and recruitment activity have immensely evolved since the year 2000. This was the time during which a truly distinct online recruitment paradigm evolved and first attained a level of critical mass. However, despite of its popularity, the research in the area has not as yet become as dominant as was predicted by many researchers and practitioners.

Trends in E-recruitment

Organisations are using internet technology at an alarming rate. For recruitment and selection, the world wide web is used as a platform.

The IES did a survey of 50 organisations that were using E-recruitment and found that the main reason behind adopting E-recruitment were:

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

E-recruitment trends suggests that there is a changing landscape in the future where the candidates are connected with the line manager to the central system and there is communication among all the participants as well as the central system.

It would also benefit in terms of cost, quality and time. The role of HR will be more facilitative. It would allow the recruiters to get involved in the strategic issues also.

Fig 1.1. The E-recruitment landscape
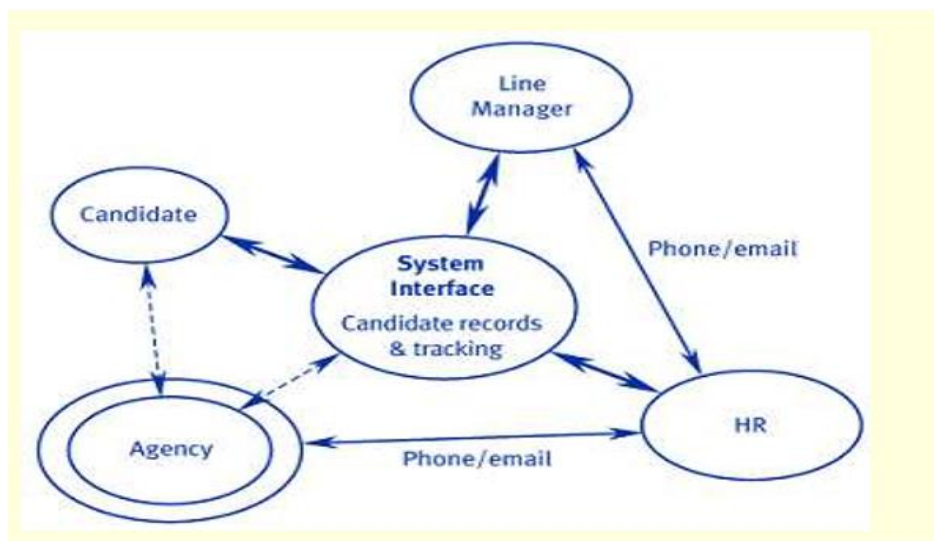
2. OBJECTIVE OF THE STUDY

1. To compare the traditional recruitment process with E-recruitment and also discuss the benefits and drawbacks of E-recruitment.

2. To understand the trends and practices of E-recruitment in the recruitment process of an organisation.

3. LITERATURE REVIEW

The words E-recruitment, online recruitment, cyber recruiting, or internet recruiting are synonymous. "They imply formal sourcing of jobs online"- Ganalaki. It is a complete process which includes job advertisements, receiving resumes and building human resource database with candidates and incumbents. E-recruitment is the use of internet to attract high quality candidates, screening of suitable profiles, streamlining the application and selection process"-Vidot. "Internet has made an impact on the human resource field" -Bussler & Davis. "Organizational recruitment efforts have increasingly relied on computer technology and one area that has evolved in recruiting via the internet, otherwise known as E-recruitment"- Mottl. From the relevant literature, there is an argument that E-recruitment is needed to be used in conjunction with other techniques. It has been argued by Caggiano& Borck that internet-based recruiting will not replace traditional practices in recruiting but a well- implemented E-recruitment strategy can help the recruitment process become more successful. "Employers can electronically advertise jobs, scan and store resumes, conduct test, and contact qualified applicants by using the power of the internet to match people to jobs"- Hoggler. Cullen also supports that E-recruitment is not treated as a stand-alone tool but is integrated into an overall recruiting and selection strategy.

Human Resource Management

Human Resource Management has many meanings. "A strategic and coherent approach to the management of an organization's most valued assets – the people working there who individually and collectively contributes to the achievement of the objectives of the business"- Michael Armstrong. Another view of HRM is "HRM refers to all those activities associated with the management of work and people in organisations"- Boxall & Purcell. From the information gathered from these three well known professors, the author of this thesis uses the following definition: "HRM is a function in an organisation that manages the needs, the wants and the strategic methods of people working for the organisation to ensure they reach and achieve the objectives of the business"- Armstrong, Boxall&Purcell.

"Human Resource Management is used interchangeably with personnel management"-Armstrong. "Personnel management is currently obsolete name for HRM, evolved with new job necessities through federal and state laws implemented in the United States of America in the 1960s" -DeCenzo;Robbins;& Verhulst.

"When HRM was introduced in the United States through a course at Harvard Business School in 1981, the new approach modified the future of people management and personnel management forever"- Price. Personnel management is currently narrowed to people aspect only. To set a perimeter in this thesis to avoid confusion and miscommunication, the author wishes to dismiss personnel management from the definition of HRM.

HRM can be argued to play the most important role in an organisation.

The four primary activities are:

1. Staffing

2. Training and Development

3. Motivation

4. Maintenance

Fig 3.1 Activities of HRM
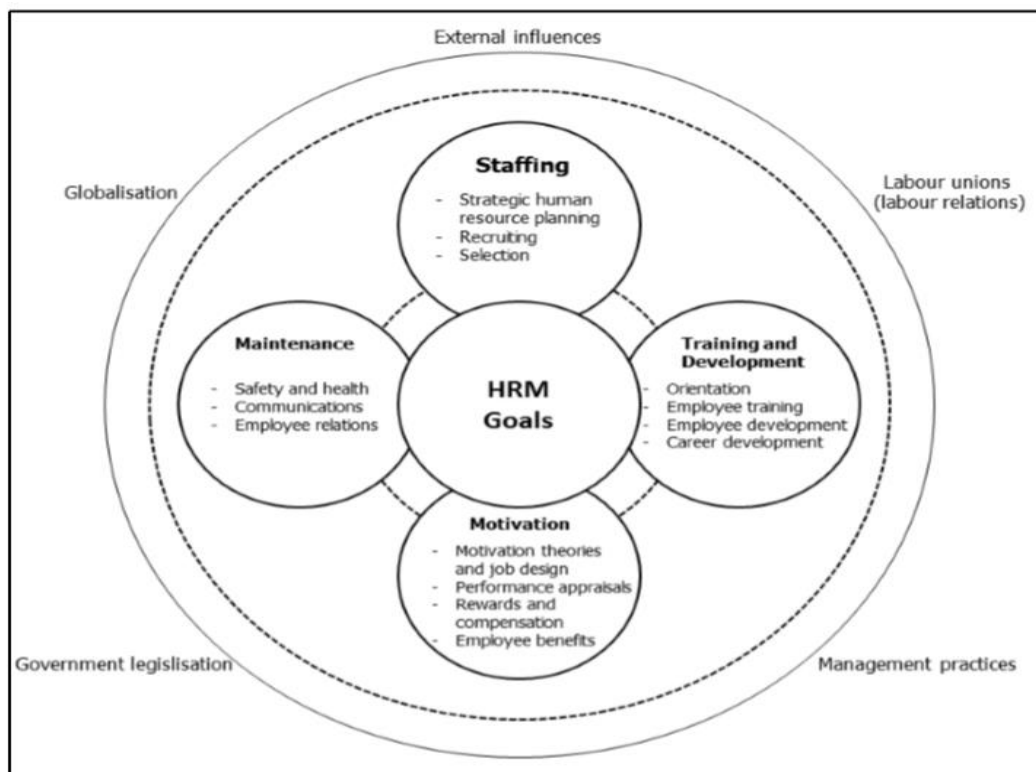
All activities of HRM need to be integrated in. Each function carries responsibility towards the organisation's ultimate success.

Staffing

"The staffing sector begins with human resource planning. Human resource planning is to ensure the organisation has the long-term and short-term strategies in the overall organisation's forecast, including the right type and amount of employees for the positions to support the success of the organisation. Planning prepares HRM with a foresight of what present and future personnel needs the organisation will have"- DeCenzo;Robbins;& Verhulst.

Recruitment and Selection

Generally, "Recruitment and Selection" is read as a conjoined function. As these two have different responsibilities, it is fair to give separate definitions.

"Recruitment is not a simple process to put in a simple sentence. Recruitment strategies differ all over the globe, but the common elements are: attracting, finding and procuring. Recruitment is often reported in literature as the process of analysing the job requirements, pooling together a network of qualified candidates and hiring the best fit person for the role in order to gain a competitive advantage"- Boxall & Purcell.

Selection is the process of choosing the best fit person for the role from the generated pool of qualified candidates. These two processes correspond with each other; without recruitment, there is no selection.

The Recruitment Process

Recruitment process ensures that the organisation attracts talent in the company.

It is the responsibility of the company's HR manager or this task can also be assigned to Recruitment Processing Outsourced (RPO) company. The RPO thus replaces the functions of internal recruitment, searching and attracting prospective employees for the organisation. Therefore, whichever way is chosen, recruitment follows a process.

Anna Holm summarized the traditional paper based recruitment process in her research about E-recruitment in 2012, which was adapted from various sources of human resource management.

Fig 3.2 Traditional recruitment process

Tasks	Subtasks	Activities
Identify Applicants	Prepare a job description and job specifications	Based on hiring requests from a client (e.g. another department) and eventual job analysis information, identify candidate profiles and required qualifications. Develop a job description and job specifications.
	Identify the appropriate pool of applicants	Identify where, and in which segment of the labour market, to look for qualified applicants.
Attract Applicants	Select recruitment source(s)	Select recruitment source, and decide which method to use to reach the target audience, e.g. newspaper advertisements, TV and radio spots, professional magazines, etc.
	Prepare and place job announcement	Prepare and place job ads in the selected sources, observing certain requirements such as size restrictions, design guidelines, graphic elements, etc.
Process Incoming Applications	Receive, sort and register incoming applications	Sort incoming paper-based applications for each vacancy. File and register these for monitoring and administrating the recruitment process.
	Pre-screen and evaluate applicants	Pre-screen and review applications, identify a number of applicants for further assessment and selection. Forward the shortlist to clients for evaluation.
Communicate with Applicants	Inform applicants about pre-screening results	Inform applicants that they have not been shortlisted for further consideration. Prepare and mail a formal letter, and /or make a telephone call.
	Arrange interviews with shortlisted candidates	Inform prospective candidates by formal letter and / or telephone, or in person, that they have been pre-selected for further assessment. Arrange further interviews with them, site visits, and tests.

Holm found that the initial task for the recruiter is to analyse the need for hiring. The company relies on human resources to understand and analyse the long term and short term strategic needs. These methods underline the trail utilized by organisations. The other important tasks after identifying the hiring needs are creating a job description, job specification and then identifying the pool of appropriate candidates. The skills and knowledge essential for the position are then analyzed by the one responsible for job analysis. For this there are various methods like interviewing individuals, group interviews, where the individual or a group of individuals can discuss job specifications and their expectations with the human resource manager. Technical conference methods are used by managers or matter experts who have knowledge of main duties and they can give their input in cases when the role does not exist primarily. This stage forms the base of the recruitment process.

The second stage involves preparation of job announcement, the purpose of which is to attract potential candidates. The source of recruitment and advertisement is chosen by the industry and the position which the company is demanding to reach to the target candidates. Therefore, the job announcement must be attractive, clear and loud for the candidates to get attracted towards the job.

The next task is to process the applications of applicants, which consists of following phases:

- Receiving
- Sorting
- Pre-screening
- Evaluating

It is also essential for the recruiter to communicate the status report to the hiring manager of the respective position. The hiring manager would therefore in turn help the recruiter in performing the next steps efficiently.

Lastly it is essential for the recruiter to communicate the status to the applicant. There is fierce competition to hire the best talent. Therefore, it is very essential for the recruiter to have good communication skills otherwise they could lose valuable applicants. After pre-screening, it is the duty of the recruiter to discuss the next step with the manager and it may result in the final step of shortlisting the candidate for interview.

If the candidate is called for an interview then the location of interview would depend on factors like office of employment, nationality of candidate and position. Sometimes it is beneficial to conduct the interviews online due to visa restraints and physical location.

The company should grade the final score uniformly for the final decision making process. The recruiter along with the hiring manager must discuss in detail the future course of action for the candidate's application. It must follow valid comparison and reasoning.

Internal Recruitment

Promoting the talent already present in the company is called as internal recruitment. It is generally initiated by employees who wants to change their current job or need a new position or are losing their current job.

There are two ways of recruiting inside an organisation:

- internal job postings via the corporate intranet
- internal job boards, and career ladders

According to David DeCenzo "Hiring internally reduces price and improves chances of a great selection because information on the individual's performance is readily available". A study performed by Matthew Bidwell in 2011 finds that internal recruits are cost efficient as externals are paid more over internal promotions. "Externals need to feel confident about accepting the job at an organisation, especially if the potential employee is making large changes in their life for the job, thus, a higher pay premium is paid (on average 17% higher than internal hires)"-Bidwell.

External Recruitment

It involves finding the right candidates outside the organisation. It traditionally involves

- signs outside business
- word of mouth
- newspaper advertisements
- employment agencies

Traditionally, newspapers were delivered to the doorsteps of prospective candidates with fresh news daily. These methods have gone out of fashion with the advent of technology and have changed the procurement of such news. Employment agencies have supported the workers and employers whether it is temporary, headhunting or consulting agencies. Job fairs were used traditionally however, they are still a crucial tool of attracting candidates and also helps to increase employer branding. Virtual job fairs are the recent and most technical version of traditional job fairs and they aim technological savvy candidates. Similarly, recruiters also create online booths where candidates and representatives meet and greet which are grouped with organisations or a single company.

The universities and other educational institutes plays an important role in external recruitment as the war for talent puts pressure when the competition for candidates grow. These resources prove an ideal pool of candidates since most jobs set some requirements like high school diploma, bachelor's, master's, etc., which does not limit to those who lack experience as it is common behavior to return to school for further knowledge.

Organisational websites along with job boards and career websites are chosen for these advertisements. These are monitored by recruiters and frequently used by candidates and therefore are frequently updated before any other medium.

E-recruiting

"The digital world has brought a new dimension to the world of recruiting. The World Wide Web, or Web 1.0, shortened the search time, costs and offered a transparent method of information for candidates"-Salmen. In the early 2000s, companies only had their career websites running as their main source of communication about their organisation's news: current open vacancies, contact details and changes in the organisation. The design of Web 1.0 imposed a one-way communication style where web surfers could absorb information from the site. Those candidates that did find the vacancies on an organisation's website and had interest sent an initial e-mail with their CV and a cover letter attached to the contact person mentioned on the website or through Post. "Two-way communication rarely occurred as it was an uncommon strategy in recruiting"-Salmen.

The modern web innovation, like Web 2.0, has forever changed the talent procurement process. This phenomenon is known as "E-recruitment".

Recruitment and E-Recruitment

Fig 3.3 Recruitment and E-recruitment

"Recruitment includes those practices and activities carried out by the organization with the primary purpose of identifying and attracting potential employees. It is an important part of human resource management as it performs the essential function of drawing human assets into the organization" -Barber. "Recruitment is a process of searching candidates to fill vacant staff vacancies in any organization. The recruitment process attracts and secures the services of capable personnel with effective and optimum utilization of human resources.

There are so many methods available to recruit the desired staff in any concern viz; recruitment agencies, newspapers advertisements, head hunting etc.

All these methods are categorized as traditional methods. The rapid advances in technology have dramatically changed the way the business is conducted and this increasing use of technology is clearly demonstrated by the number of organizations and individuals who utilize the internet and electronic mail"- Erica, 2007. "In terms of human resource management, the internet has changed the way of recruitment from both perspectives i.e. organizations and job seekers"-Epstein.

"One of the most popular non-traditional forms of recruiting practice is E-recruitment"- Smith, 2004. "E-recruitment has been defined as the use of the internet to identify and attract potential employees"- Breaugh & Starke, 2000. "It refers to the practice of advertising job vacancies online, and the formal sourcing of information about the jobs online"-Galanaki, 2002. "Two trends which make it mandatory for small and medium sized businesses to invest in the tools for a successful e-recruiting strategy are demographic trends and financial scarcity"- Abra, 2007. "On one hand, better technology and easier access to information produced between workers and firms is increasing the probability of finding the best match for a given opening. On the other, reduced application costs also encouraged increased applications from under qualified job seekers, triggering increased effort by firms to improve screening mechanisms" Freeman & Autor, 2002.

E-Recruitment Revolution

"The internet first emerged as a recruiting tool in the mid1990s and was hailed by the popular media as the driver behind a recruiting revolution due to the benefits it could bring to recruiters"- Boydell, 2002.

"Online recruitment and the use of new emerging technologies have many advantages for the modern recruiter. It makes the process of finding candidates and new business opportunities quicker, cheaper and more efficient. The internet has caused the largest change to the recruitment process in the past decade acting as a link between employers and job seekers. Technology has enabled corporate websites, suppliers and job seekers to become more sophisticated and interactive"- Harris, 2007.

E-Recruitment Market

"E-recruitment market is one of the vital aspects in the process of recruiting the talent. Internet has completely changed the role of the traditional recruiter"- McManus & Ferguson,2003.

The only options available earlier were cold calling and candidate networking for identifying prospective candidates but now with the advent of internet it is possible to reach thousands of prospective candidates.

"E-recruitment enhances the effectiveness of the recruitment process"- Stone, 2005. The total Indian recruitment market is approximately around Rs 500- 600Crores. The decade old online recruitment industry in India seems to be flooded with different jobsites, each of them promising a better job to candidates and better candidates to employers. The Indian market for E-recruitment is still at least five years behind the other countries.

Players in recruitment market

<u>Job Seeker:</u>

The person who looks for a job is a job seeker. There are two kinds of job seekers

a) Active Job Seekers: These job seekers are in search of better job opportunity or have some personal or professional reasons.

b) Passive Job Seekers: Passive candidates are those workers who are not planning to change their jobs right now but still they regularly surf the internet for any one of million reasons during their normal routine. Such candidates may come across new opportunities and simply upload their resumes on the internet. Corporate websites are the most preferred destination for passive job seekers.

<u>Recruitment Market:</u>

The recruitment market comprises of three ways that include the traditional way of recruiting the candidates through newspaper advertisement, head hunting and through temporary recruitment agencies. The other ways are the modern aspect of the traditional ways which include old wine in new bottle like online head hunting, online temporary recruitment agencies and online newspaper ads. The third most famous way is the e-way. It consists pf online recruiting methods of talent like commercial job boards, corporate websites and emails.

Potential Employers (Firms/Companies):

Potential employers are the final destination where every job seeker wants to reach. They are the part of the organisation which employ them on the basis of their skill, knowledge and job requirements.

E-Recruitment hiring process

The process carries out a number of functions in addition to normal recruitment. It involves judging and making a choice about hiring the person if the company thinks that the person meets all the requirements that are required by the job specifically. The next step is to finalize the deal and involves the new candidate joining the organisation and fit in within the culture of the company. This process is therefore called the hiring process since it defines all the hiring policies of the company.

Methods of E-Recruitment

1. Commercial Job Boards:

When it comes to online recruitment, they are the most famous form of recruiting. The function as classified advertisements in the newspaper. They allow a larger reach of candidate pool globally. The greatest power of job board lies in the large number of job applicant resumes. It has been estimated that they contain more than 5 million unique resumes. They also allow the recruiters to examine candidates from all over the world in an inexpensive way, and also operate 24 hours a day.

Job boards allows people to post resumes and allows the recruiters to utilize the search mechanism to look for applicants with relevant skill set, knowledge and experience.

A second advantage is that an organization can provide extensive information, as well as a link to the company's web site for further information on both i.e. the job as well as the organizations. "The dedicated recruitment websites can take a form of job listing websites, that are very similar to printed classified advertisements, work wanted sites, which emphasize the prospective employees side and finally online recruiters who make use of other websites as a resource for finding clients and customers"- Rudich, 2000; Taylor,2001.

2. <u>Corporate websites:</u>

Company's websites represent one of the primary web based approaches to recruiting. Many of these websites also provide useful information about an organization, as well as the mechanism to apply for these jobs. 93 percent of all North American Global 500 companies have a company's own E-recruitment site. "It is a very common practice to add recruitment pages to the existing organization site. Its major advantage is the minimal cost associated with the developing a page on the corporate site which puts it forward as the smartest way to recruit on the internet"- Scheyer & McCarter, 1998.

Most applicants would consider a medium to large size company without a recruitment web site to be somewhat strange. "One report indicated that of 62,000 hires at nine large companies, 16% were initiated at the company's corporate website"- Maher and Silverman, 2002. With a good list of benefits, it would result foolish for any organisation who does not have a company's corporate website.

Social media networks

Often, social media is referred to as Web 2.0. As refreshing as this sounds, Web 2.0 is not a new technological phenomenon like social media; it is an innovation built on the concept of the internet. According to Andreas Kaplan and Michael Haenlein (2010), Web 2.0 is a term that was first used in 2004 to describe a new way in which software developers and end-users started to utilize the World Wide Web as a platform to be under continuous modification of content and applications. Because of the usage changes, Web 2.0 has evolved into something to satisfy the needs of the user without the need of a programming background. Web 2.0 allows users to smoothly alternate from being the creator or author to being a reader.

Social media is a recent phenomenon. It is a web-based services that allows individuals to

- construct a public or semi-public profile within a bounded system,
- articulate a list of other users with whom they share a connection, and
- view and traverse their list of connections and those made by others within the system.

This definition does define what social media or social media networks are, but it is limited to a particular type of social media, e.g. Facebook, Twitter and LinkedIn type mediums.

Another definition that leads to a broader understanding of all social media is that of Kaplan and Haenlein's (2010): "Social Media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content (Kaplan & Haenlein, 2010)".

Kaplain and Haenlein continues by stating that "though this definition gives a general idea of what social media is, it still does not define the individual classification of social media applications". In a three by two matrix, Kaplain and Haenlein (2010) were able to compare the different classifications by separating each from self-presentation and self-disclosure versus the social presence and media richness.

"The individual classifications of social media were grouped together by the use or category each fall under: blogs, social networking sites, virtual social worlds, collaborative projects, content communities and virtual game worlds"- Kaplan & Haenlein, 2010. "The self-presentation and self-disclosure (SP/SD) are understandably the representation and self-impression one wishes others to perceive of them. Aligning these with the social presence and the media richness (SP/MR), which are the amount of social interactive between the audience and the author", Kaplan and Haenlein found that scaling these from low, medium to high by high and low was most fitting.

Table 3.4 Social Media Classification

		Social Presence / Media Richness (SP/MR)		
		Low	Medium	High
Self-Presentation / Self-Disclosure (SP/SD)	High	Blogs	Social media networks (e.g. Facebook)	Virtual social worlds (e.g. Second Life)
	Low	Collaborative projects (e.g. Wikipedia)	Content communities (e.g. YouTube)	Virtual game worlds (e.g. World Of Warcraft)

Source: (Kaplan & Haenlein, 2010)

Growth of E-recruitment

"The use of E-recruitment grows full tilt, though the benefits for E-recruitment have not changed much over years; Carolien Handlogten (2009) listed them in a case study thesis for a Dutch airline about the implementation of E-recruitment:

- Cost savings
- Ease of use for candidates
- Larger candidate pool
- Ease of use for the organisation
- Increasing the speed to hire
- Success in finding candidates
- Keeping ahead of competitors

Jobvite's study 2013 proved positive return on investment of the benefits of E-recruitment. Jobvite has been conducting annual surveys for the past six years following the patterns of recruitment in the United States. The results from their 2013 study found that

- 33% of the participants claimed that the time to hire has improved
- 43% agreed that quantity of candidates has also improved

Since the launch of pioneer job board "Monster.com" launched in 1995, companies began to realize the magnitude of the Internet and employee procurement". The Institute of Economics of the Computer Science University in Frankfurt am Main, Germany set up a research network in 2002 in cooperation with the German counterpart "Monster.de", and Otto-Friedrich University of Bamberg to review the trends of recruiting. The annually published report, "Recruiting Trends" is a study that has been live since 2002 to review the recruitment trends, employer branding and the new innovative: E-recruiting. "The study consists of the top 1,000 companies in Germany"- Beimborn, 2014.

According to the Recruiting Trends report most of the 1,000 top companies in Germany responded they have presence on Facebook and have even assessed social media to add a positive effect to their recruitment. Below, Figure displays a timeline of how recruiting has developed and evolved from the traditional sense of print media like newspapers to social media on the Internet.

Fig 3.5 Evolution of recruitment
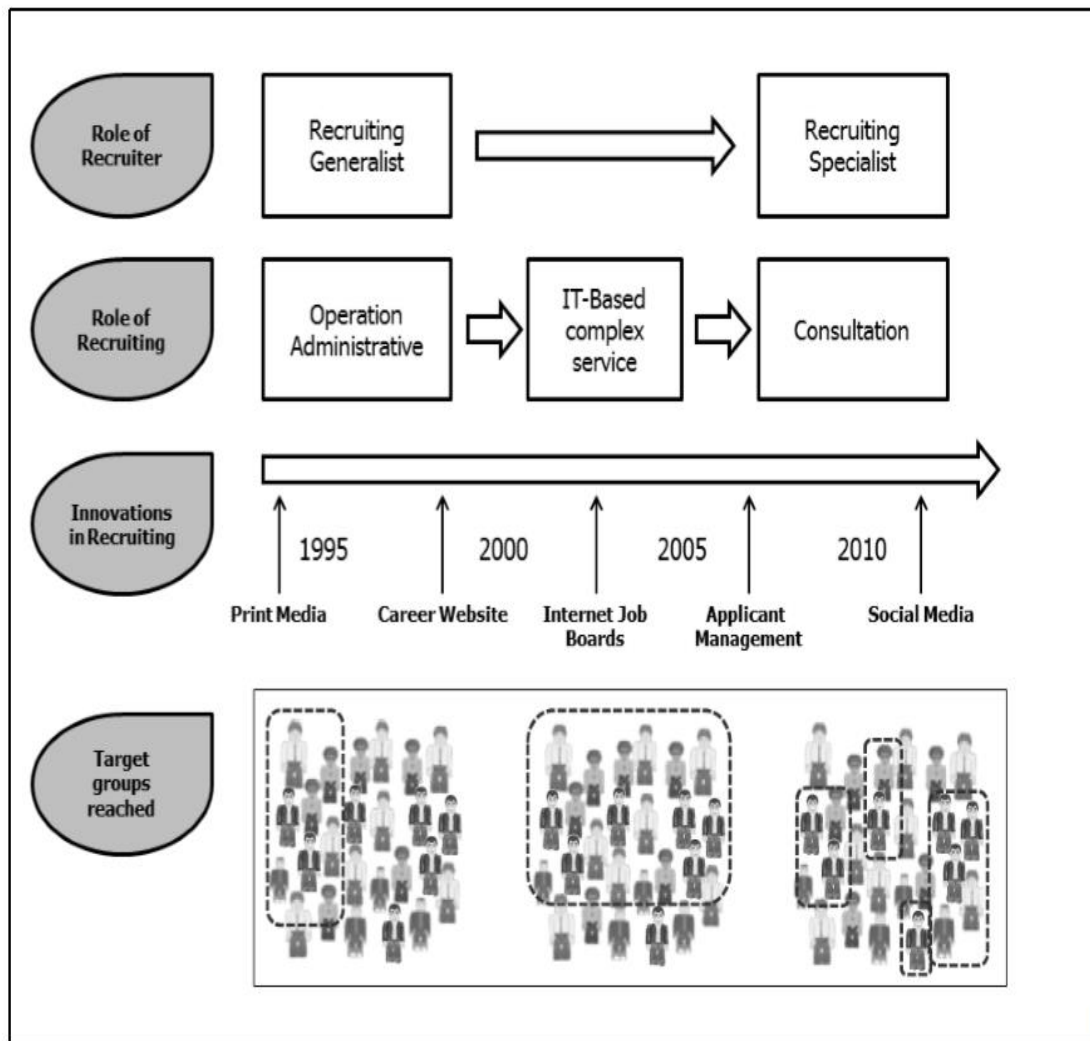
Trends of E-Recruitment

According to Professor Doctor Sonja Salmen in her book, co-written by Bernds Rath, "Recruiting in Social Web (2012), the recruiting process can be optimised up to 20% through social media and companies should consider this strategy, if they have not." According to PewInternet.org (2014), "74% of online adults use some form of social networking site as of January 2014. That is a 66% increase since 2005."

92% of the organisations in the United States of America have already adopted social media networks of which 93% are from "LinkedIn", 66% are from "facebook" and 54% are from "twitter". These organisations are looking for young talent actively.

"Companies are finding themselves in a tougher situation of talent competition than they have in previous years, and they are already taking actions to reduce the risks. There has been an 85% increase in recruiting activities via social media since 2007"- Salmen, 2012.

CHRIS revealed that the top three external challenges for recruitment today are demographic change, lack of skilled workers and social media. These implications affect all industries like: engineering, health, IT, business, etc. German organisations are becoming increasingly technologically adept with talent acquisition, however, not rapid enough for today's trends. Only two out of ten vacancies are posted on social media. However, there has been a 14.8% increase in a year of German companies discovering that the use of social media in recruitment to be positive, adding to 64.8%. These companies understand the challenges of social media recruiting; one-third of Germany's top companies responded that they have social media strategies and activities planned for the next quarter. In a report conducted by Eva Zils of SocialMedia-Recruiting.com, it was found that out of the 335 German companies who took part in a 2011 survey, 45% still had no social media recruiting budget set for 2012. It is likely that this study included small-medium enterprises that have no intermediate competitors who are already visible in social media recruiting.

Uses of social media

Social media has its different applications for organisations. "A third of respondents to CHRIS's Recruiting Trends 2014 survey said that Facebook is where they choose to discuss and communicate with potential employees and 19.1% said they use XING for job postings. It is important to mention that 63.6% of the respondents felt a profile of some career network, like LinkedIn or XING, would be important to candidate's profiles in the future"- CHRIS, 2014.

"Still, majority of the German organisations (56.3%) prefer candidates to apply for jobs through application forms, followed by 35.9% stating that they prefer E-mail application. A surprising 1.9% of the respondents still expressed a preference for paper-based traditional applications. The author assumes that due to the traditional values in German culture the use of traditional means is still prevalent. The rest of the respondents did not have a preference for the application process".

"Variable social media use can support organisations immensely, if properly utilized. For example, in an organisation of 100 employees who all have approximately 150 contacts on social media that organisation can potentially reach approximately 15,000 initial contacts. Ultimately, the spread reaches 2.25 million secondary contacts"- Salmen, 2012. The employees can thus support the organisation by sharing or expressing opinions or upcoming events because of the reach.

Millennial Generation (or Generation Y)

The workforce is composed of four generations: The Veterans, The Baby Boomers, Generation X and now, The Millennial Generation, commonly known as Generation Y (Gen Y). The latest generation, "Generation Z" has not yet entered the workforce.

Table 3.6 Types of generations

GENERATION	YEARS
Veterans (silent)	1922-1945
Baby Boomers	1946-1964
Generation X	1965-1980
Generation Y	1981-2000
Generation Z	2001 to present.

<u>Comparison of Generations</u>

Greg Hammill did a comparative analysis of the four generations and their workplace characteristics in 2005

Table 3.7 Comparison of generations

	The Veterans (1922-1945)	Baby Boomers (1946 – 1964)	Generation X (1965 – 1980)	Generation Y (1981 – 2000)
Work is …	- An obligation	- An exciting adventure	- A difficult challenge - A contract	- A means to an end - Fulfilment
Communication Media	- Rotary phones - One-on-one - Write a memo	- Touch-tone phones - Call me anytime	- Cell phones - Call me only at work	- Internet - Picture phones - E-mail
Leadership Style	- Directive - Command-and-control	- Consensual - Collegial	- Everyone is the same - Challenge others - Ask why	- *N/A
Interactive Style	- Individual	- Team player - Loves to have meetings	- Entrepreneur	- Participative
Communications	- Formal Memo	- In Person	- Direct - Immediate	- E-mail - Voice mail - **Instant Message

Each generation had its challenges in work and lifestyles. The challenges set current stances of beliefs, laws, and state-of-the-art technologies for the times. Work to the Gen Y is a means to an end, whereas previous generations reviewed work more as an ambitious challenge or adventure.

However, the common stereotype that Gen Y-ers are not as committed to their work as their predecessors has been found untrue in the NextGen research study conducted by PwC (2013). Generation Y has become the focus point generation in today's recruitment trend. Palfrey and Gasser (2008) have defined this generation as the digital natives. The means of communication is through E-mail, Internet, picture phones and voice mail is familiar having grown up in the digital world. The fallacy is that because social media is faceless Gen Y-ers do not value face-to-face, in the same manner. The research conducted by PwC (2013) has found that Gen Y-ers have a natural aptitude for electronic forms of communication, email and social media platforms but these are not always their communication vehicles of choice, especially when it comes to discussions with their managers about their careers. The leadership style of Gen Y cannot be analyzed because there has not been enough working years to investigate the style.

Table 3.8 Difference among generations

The Veterans (1922-1945)	Baby Boomers (1946 – 1964)	Generation X (1965 – 1980)	Generation Y (1981 – 2000)
- Long-term organisation plan - Respectful of organisational hierarchy - Likes structure - Accepting of authority figures in the workplace - Gives maximum effort	- Give maximum effort - Accepting of authority figures in the workplace - Results driven - Long-term organisation plan - Retains what they learn	- Technologically savvy - Likes informality - Learns quickly - Seeks work-life balance - Embraces diversity	- Technologically savvy - Likes informality - Embraces diversity - Learns quickly - Needs supervision

Table above is adapted from a survey report of Generational Differences conducted by Society for Human Resource Management in 2004. This illustrates the average responses from professionals for each generation's top five worker traits. The participants were asked to rank a list of nineteen worker traits in order, and these were the outcome.

Like earlier mentioned, the generations have grown up in different eras. Technologies, societies, and the way of life have altered or been modified as years continue to go by. The traditional traits of a workplace have changed. Long-term career plans have shortened and lessened, not only because Gen Y has become more informal in the workplace, but because the heightened competition and the risen expectations of today's society in the workplace.

Though PwC has found that there have been similarities between today's generation and previous generations' reasons for staying or leaving companies, there are differences.

There is a greater expectation of support, flexibility and appreciation from the Gen Yers. These contribute to the satisfaction GenYers have in their firms. Elder generations place pay and development opportunities higher than the Gen Yers. The sense that Gen Yers need supervision at the workplace hints that they seek a need for separation of personal life and work life. This is relevant for the recruitment process as it is important to understand how and what the Generation Y will expect for the future job offers. In the next few years, there will no longer be any signs of the Veterans in the workforce and there will be an increasing amount of Baby Boomers reaching their retirement. According to Jobvite's survey (2013), 35% of Generation Y was optimistic about finding a job in 2014, whereas only 11% of Baby Boomers were optimistic about finding a job.

4. DISCUSSION

Internet is the best source to attract the candidates proactively. The benefits of attracting candidates through internet are far more than the challenges. Although internet is the next preferred mode of attracting candidates after worker referrals.

Table 4.1 Advantages and Challenges

Advantages	Challenges
- Easier to share profiles with colleagues - Communication is quicker - Efficiency - Lower costs - Reporting is easier - E-recruiting can be more anonymous than traditional recruitment - Overall, saves you time	- A lot more CVs are received o More difficult to keep one profile in mind - Expectations from candidates' wants o Faster feedback o Availability of recruiters - More competition o "War for Talent" - Candidates not present online

With time the generations are evolving along with the method of recruitment in which it is performed and conducted. Generation Y is more technology prone and they prefer modes like email and digital media application. For those who are not comfortable with the latest trends of technology, it becomes the duty of the recruiter to provide personal contact through social media or phone calls. Candidates also expect the recruiters to respond quickly and focus only on them. In some cases the task becomes challenging for the recruiter when the candidates are not present on any social media network.

This is where traditional methods come into picture. They prove to be relevant for organisations even today but it also depends on organisation to organisation. Some common traditional methods include job fair and newspaper advertisements. This allows those candidates to apply for the job who are not present on any social media. It gives them an opportunity to see what chances lies for them in the market.

Although the famous recruiting practices have shortened the application cycle but it has made the recruitment process difficult in some manner. It becomes difficult to keep track of thousands of CV's which becomes a challenging task for the recruiter and thus demands high level recruiting skills on his part.

Here are some of the most common platforms adopted by the recruiters for recruiting.

LINKEDIN: Social networking site

Fig 4.2 Homepage
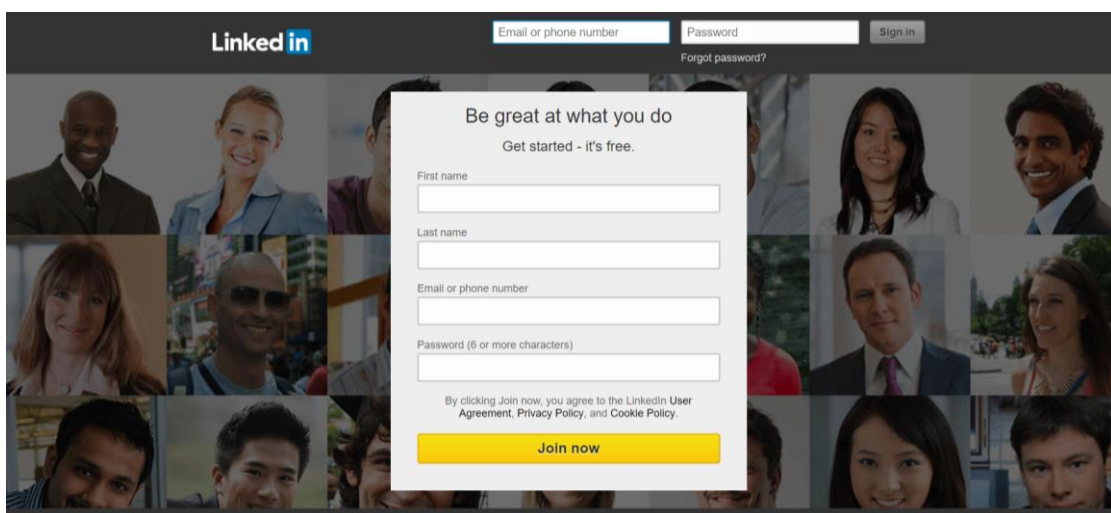
Founded- 14 December 2002

Mainly used for- Professional networking and job posting.

It is a business and employment oriented social networking site that allows its workers and employers to create profiles and connect with each other in the social world through their connections which are professional relations.

Job recruiters, HR managers, head hunters are using LinkedIn as a major source to find prospective candidates. It provides advanced search tools through which recruiters can find members using specific keywords. It also provides InMail message services which allows recruiters to connect with the candidates regarding a specific job opportunity.

Business Services:

Post a job

Fig 4.3 Posting a job
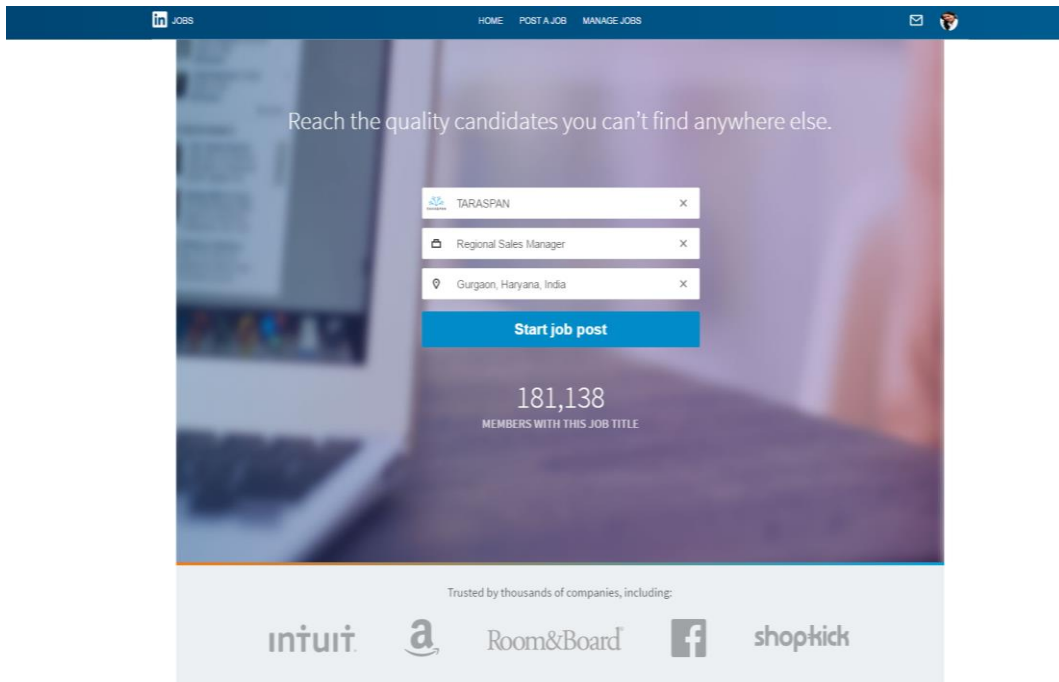
Overview

- Find candidates across the world by posting a job.
- Find quality candidates matching your job profile.
- Quick & easy ways of posting a job, tracking applicants and sharing feeds with team members.

Talent Solutions

LinkedIn Talent Brand Index

Your Talent Brand Index is the percent of people who know about your company that also express an interest. The higher your index score, the easier it is to attract the right candidates for your roles.

Employer branding is critical to compete effectively in today's talent economy. On LinkedIn, 83% of employers believe their brand has a significant impact on their ability to hire great talent, but only one third of them regularly measure it. With the Talent Brand Index, LinkedIn gives you a simple metric to quantify and benchmark your talent brand — and determine how attractive you are to the talent you want to hire.

Fig 4.4 Talent brand index
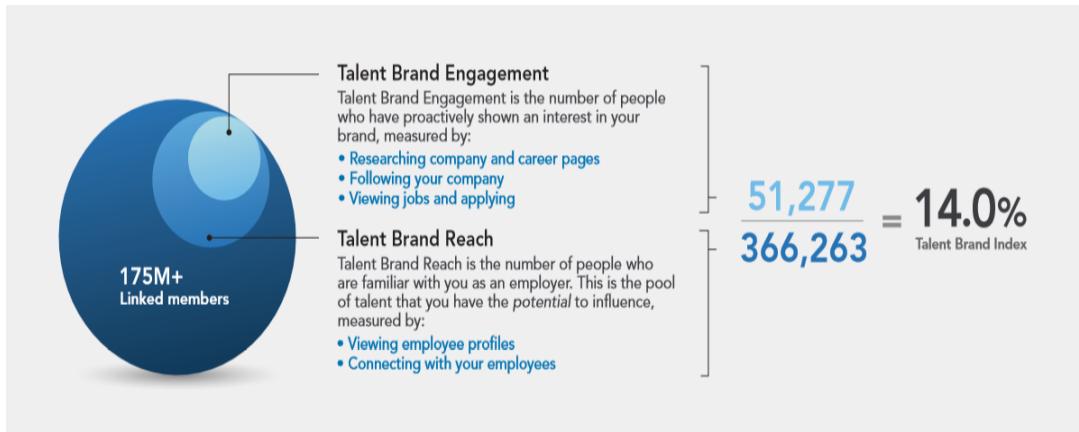
LinkedIn delivers detailed insights about your talent brand to help you make decisions.

Overview

- Allows to find the right talent faster

  It provides powerful search tools to find the right talent.

- Gives unlimited access to the LinkedIn network

  It has a network of more than 400 million professionals.

- Allows managers to manage pipeline of talent

  Easy collaboration with the team.

Fig 4.5 Managing Jobs
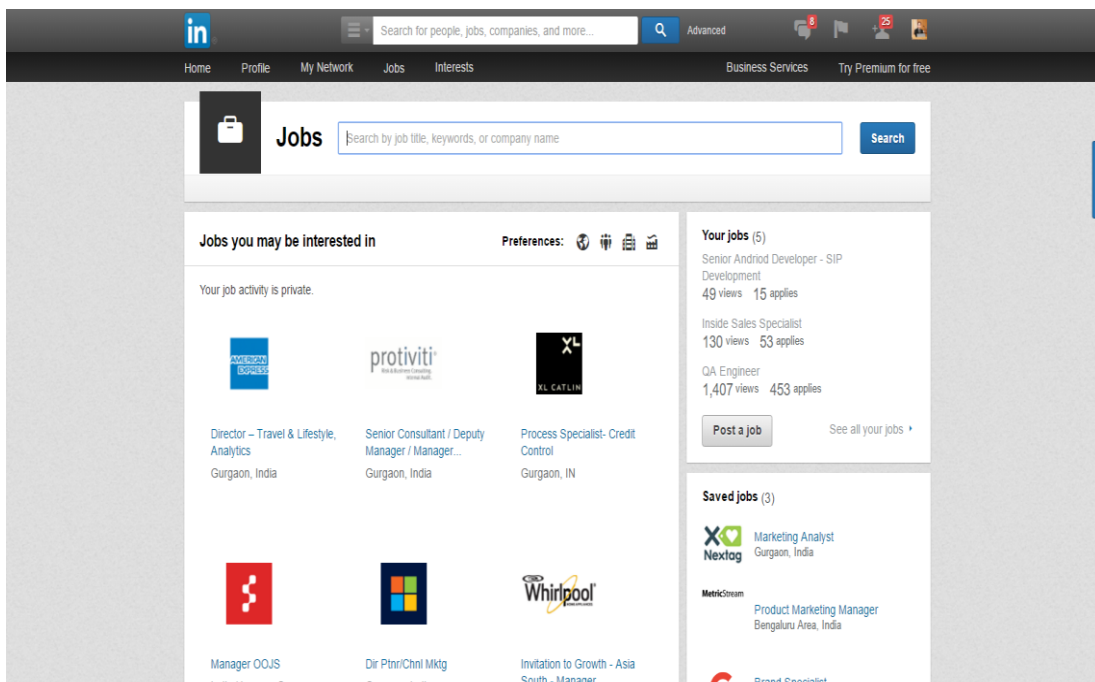
NAUKRI.COM- Job portal

Founded - March 1997

Its database consists of more than 44 million registered job seekers and it has an average of 11000 resumes that are added daily while 130,000 are modified daily.

51,000 corporate customers paid "Naukri.com" for services including database access, advertising/listing on site among others.
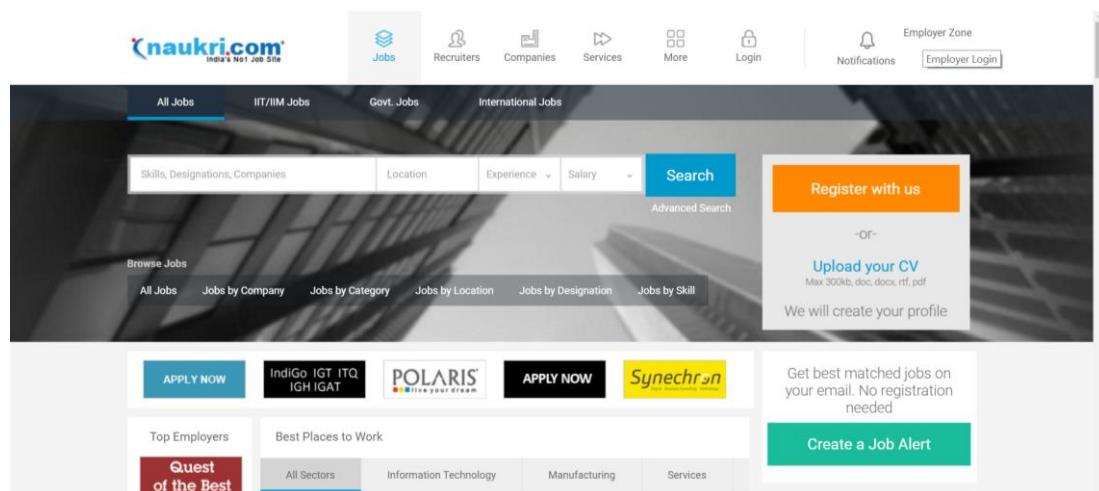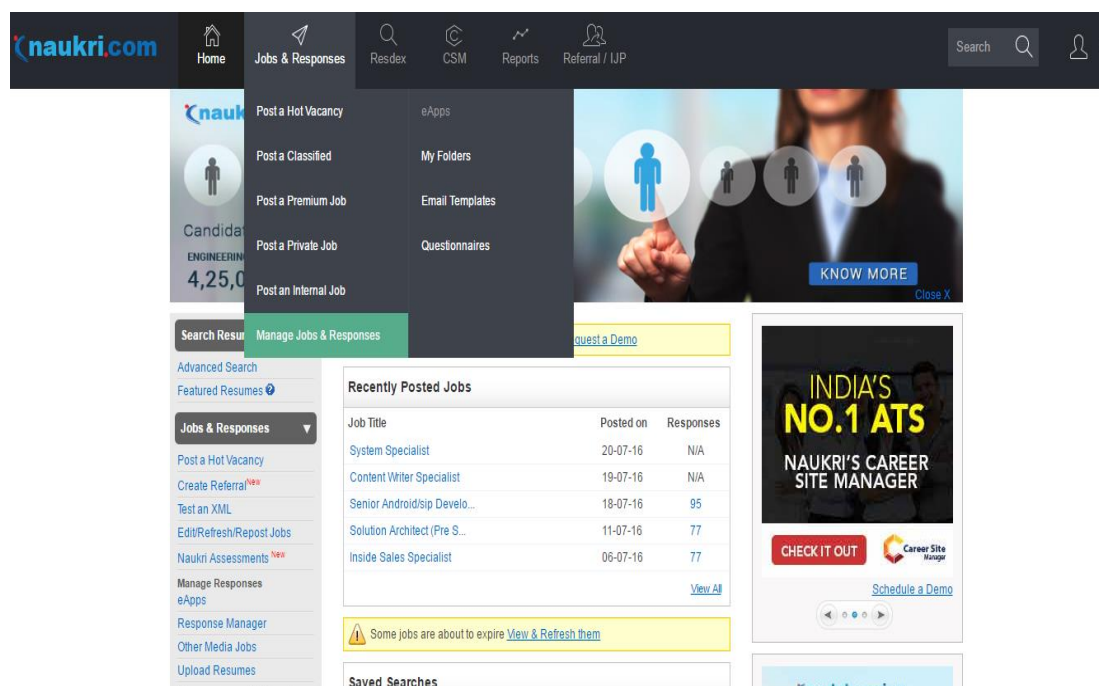
Fig 4.6 Homepage

Fig 4.7 Managing jobs

COMPARATIVE ANALYSIS

Table 4.8 Comparison between Naukri and LinkedIn

NAUKRI.COM	LINKEDIN
Indian job portal.	Social networking service.
Launched in 1997.	Launched in 2003.
Headquarters: India(Noida)	Headquarters: United States(California)
CEO: Sanjeev Bikhchandani	CEO: Jeff Weiner
Mainly used for online recruitment.	Mainly used for professional networking and recruitment.
As of Nov, 2015 "Naukri.com" had a database of about 44 million registered job seekers and an average of about 11,000 resumes were added daily while about 130,000 resumes were modified daily during the Fiscal year 2013-14.	As of March 2016, LinkedIn has more than 433 million users, out of which more than 106 million are active.
Main focus is on resumes.	Focuses more than just a resume. Gives a good picture of what a person's industry experience is and his associations.
Bulk or Low or middle level hiring.	Quality or Top level hiring.
Recruitment services: • Job posting • Response management software • Resdex(Resume database access)	Recruitment services: • Post a job • Talent Solutions
Employer branding is missing.	It is one of the best employer branding tool.
Boolean search.	Boolean search.

Table 4.9 Comparison contd.

NAUKRI.COM	LINKEDIN
Flexibility in posting a job for different locations but charged independently.	Have to post a job independently for each location.
Changes are implemented after 60 minutes.	Instant changes.
No job bidding feature.	Job bidding feature to lead in job postings.
Job is active for one month.	Depends on job post or talent solutions.
No linkage with brand.	Linkage with the brand.
No analytics.	Uses analytics.
Can post premium jobs to hire premium institute candidates.	No such predefined premium institutes.

**MONSTER.COM- Job search engine**

Founded- January 1994

Services- Online employment

Founder- Jeff Taylor

"Monster" India started its operations in 2001. With its cutting-edge technology, it provides leading career and recruitment resources to employers and jobseekers across industry verticals, experience levels and geographies. "Monster" has a network of more than 200 million people worldwide. It has its operations in more than 40 countries and provides sophisticated job seeking, career management, recruiting and talent management functionalities worldwide.

Fig 4.10 Homepage
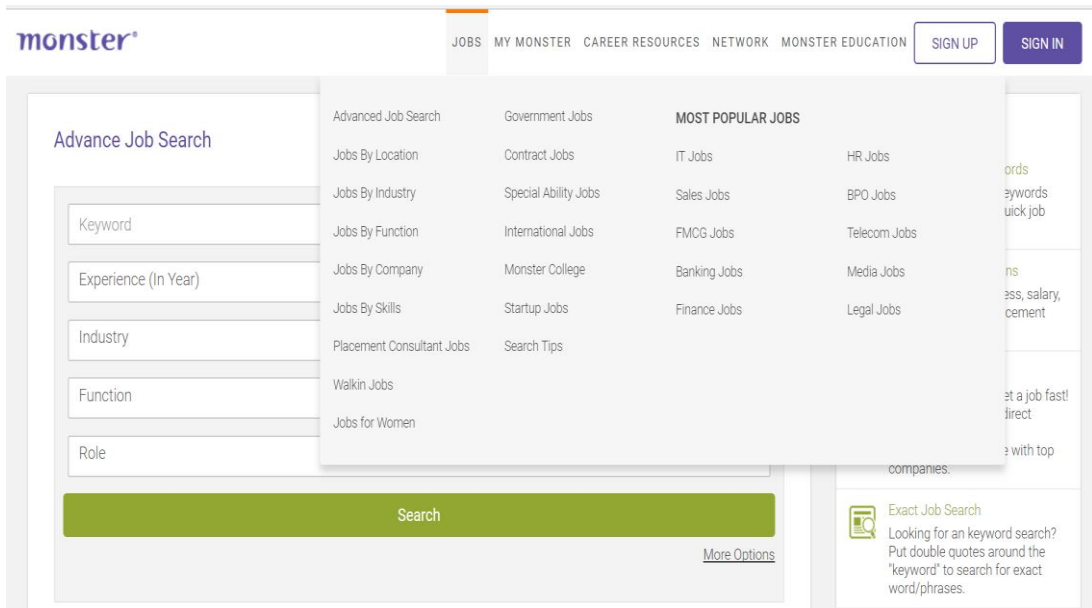
The monster employment index was launched in 2010. It is a broad and comprehensive analysis of online job posting activity in India which is done monthly by ''Monster'' India. It provides a snapshot of the online recruiting activity of an employer worldwide. It is based on a real-time review of millions of employer job opportunities from a large selection of online career outlets. According to monster employment index of 2016, the online recruitment activities experienced a y-o-y growth of 10 percent.
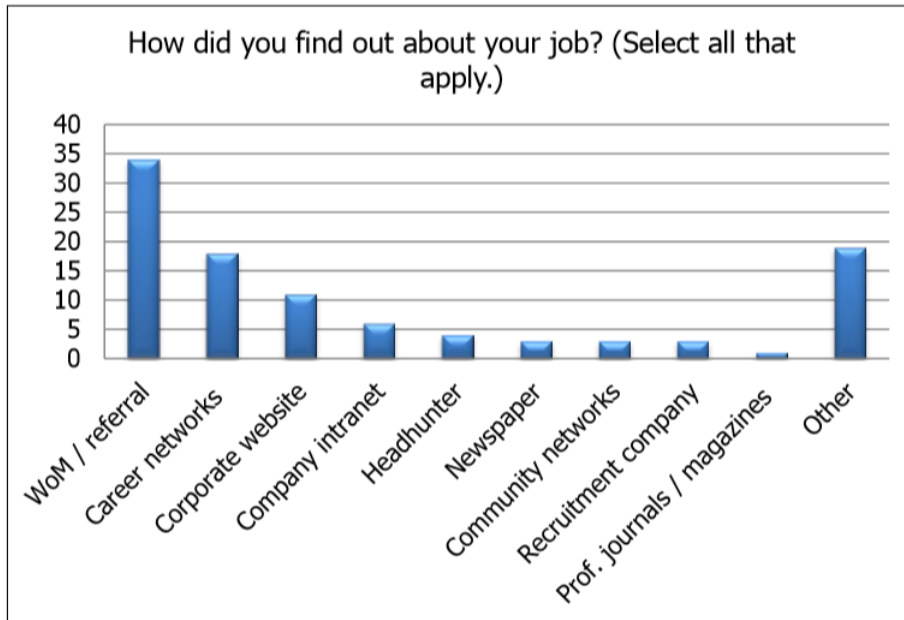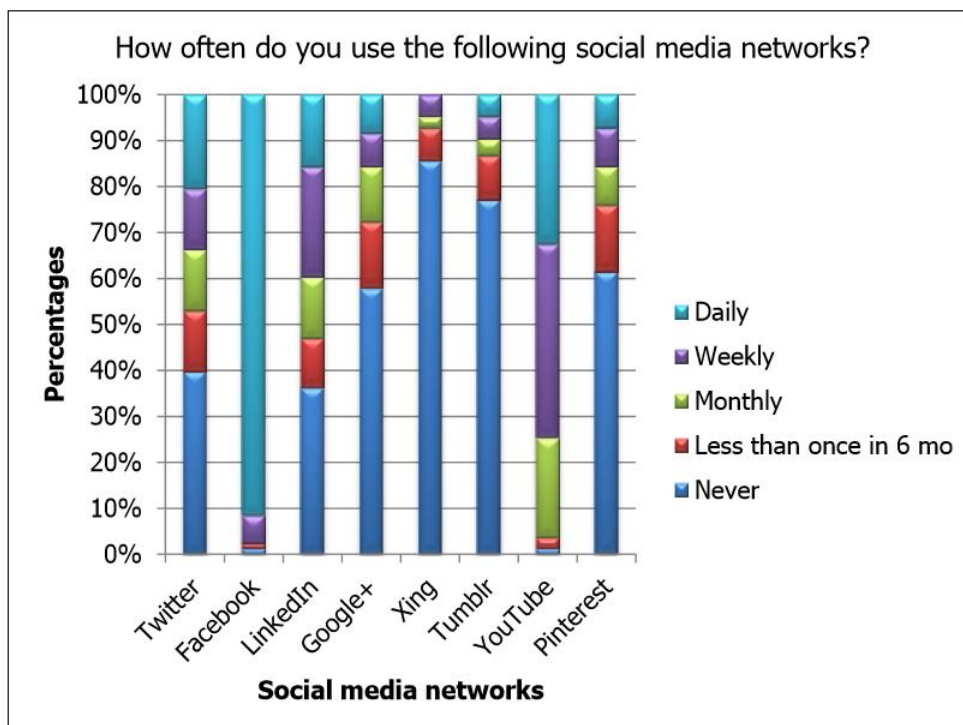
Fig 4.11 Monster Employment Index
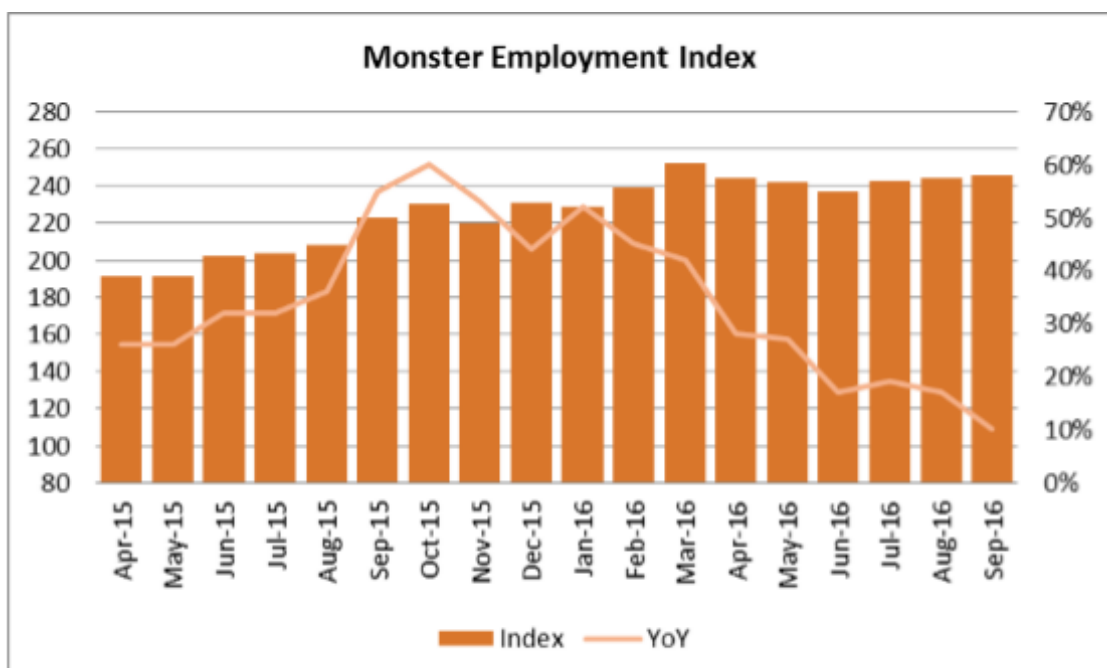
Employment

Employee referrals emerges as the top source of quality hires. Social professional networks along with some traditional methods also continues to stay steady.
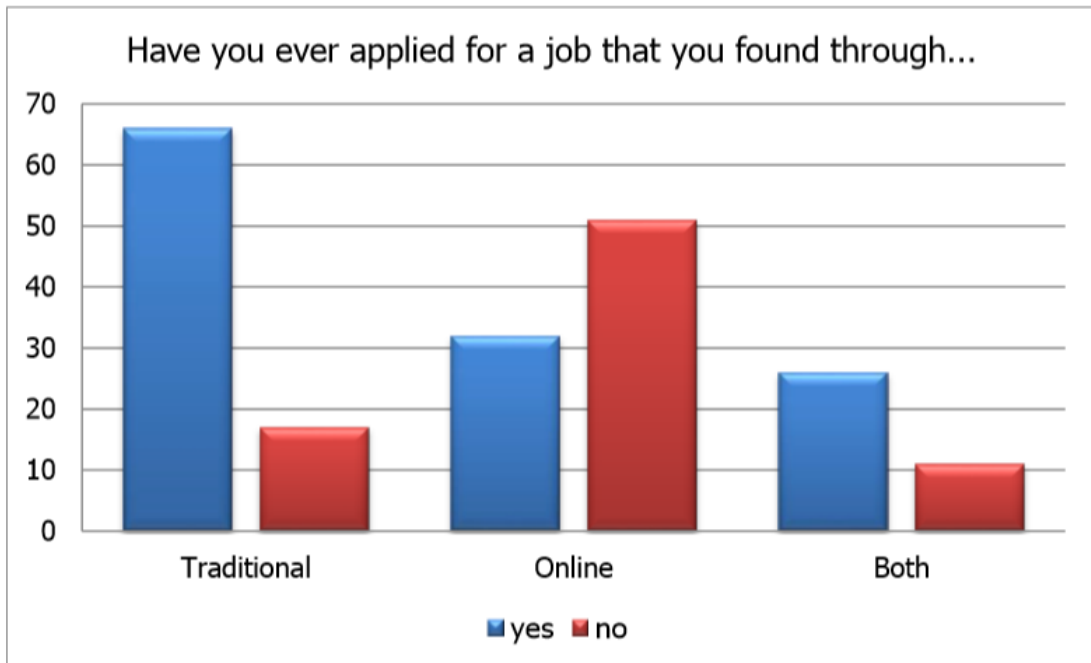
Fig 4.12 Employment preference

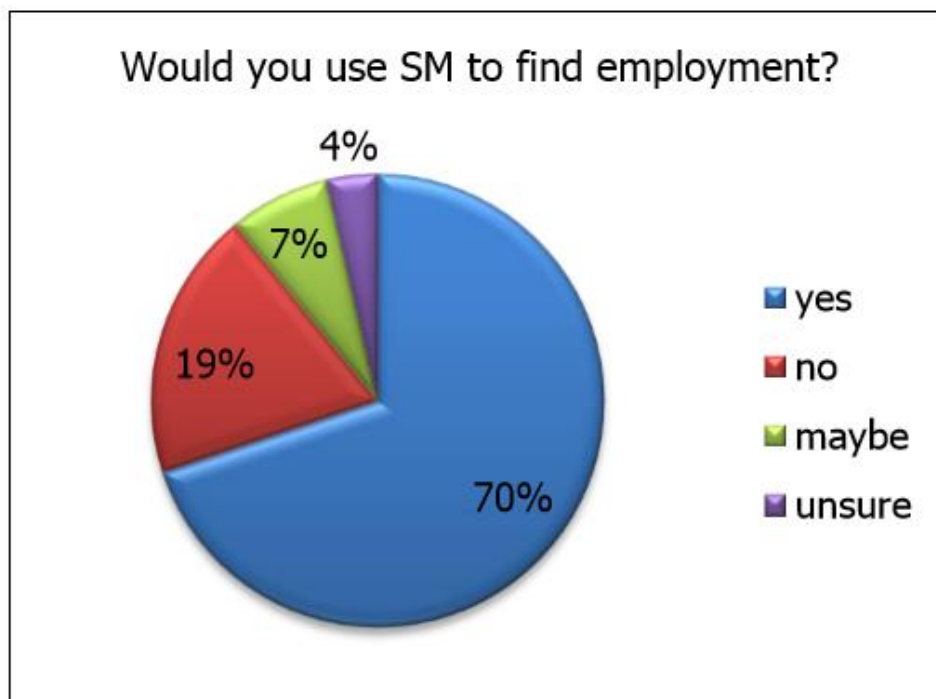**Social media usage**

Fig 4.13 Social media preference

Traditional versus online job applying

Fig 4.14 Job application preference

Job searching – using SMN?

Fig 4.15 Job searching
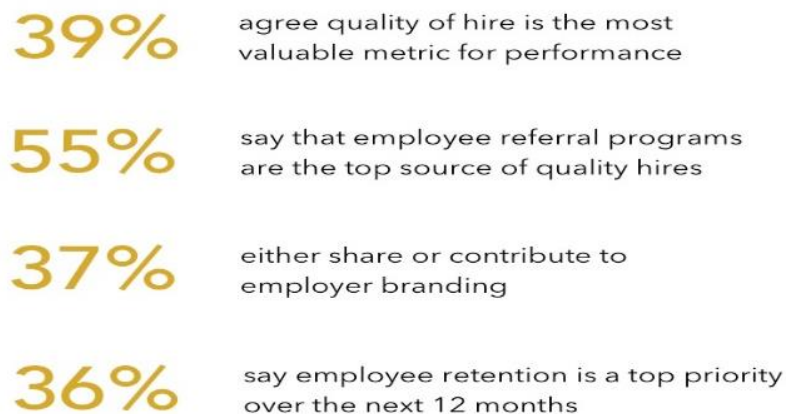
Global Recruiting Trends 2016-17

A survey was conducted of nearly 4,000 corporate talent acquisition leaders across 35 countries. All respondents are at the manager level or higher.

Most important trends for 2016

With growing business optimism in India, business leaders are searching for right talent to deliver sustainable growth rapidly. It is no surprise, that talent leaders assume quality of hire tops as the most valuable performance metric. To attract quality hires, organizations are heavily relying on employee referral programs. Companies are also focusing on employer brand, making it a shared responsibility between talent acquisition and cross-functional partners. And since talent leaders want to keep the talent they worked so hard to recruit, worker's retention has emerged as a top priority.

Fig 4.16 Trends of 2016

Most important trends for 2016

39% agree quality of hire is the most valuable metric for performance

55% say that employee referral programs are the top source of quality hires

37% either share or contribute to employer branding

36% say employee retention is a top priority over the next 12 months
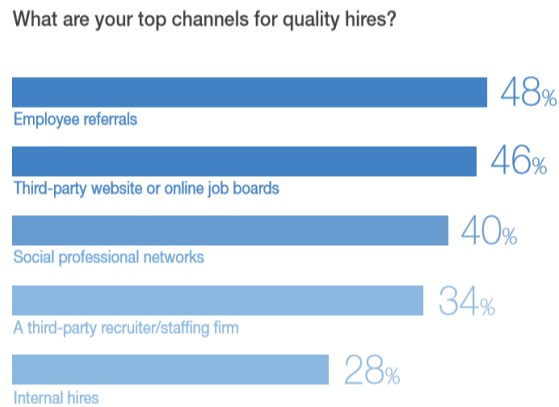
Referrals are the top source of quality hires

Employee referrals emerges as the top source of quality hires in 2017 also. Social professional networks continue to stay steady. Not only do talent leaders assume employee referrals and social networks as top sources of quality hires, they also see them as long-lasting trends.

Fig 4.17 Quality hires

What are your top channels for quality hires?

Channel	Percentage
Employee referrals	48%
Third-party website or online job boards	46%
Social professional networks	40%
A third-party recruiter/staffing firm	34%
Internal hires	28%

Quality of hire and time to hire

As far as performance is concerned, major focus is on the factors that have a long-lasting impact on the organisation. Therefore, the factors that dominate the list are quality of hire such as length of stay and hiring manager satisfaction. The small organisations choose length of time as top factor whereas the large organisations opt for time to hire.

Fig 4.18 Ways to measure success

What are the top three ways you measure success in your role?

1 The length of time new hires stay at the company

2 Time to hire: the time it takes to fill a job requisition

3 The satisfaction of the hiring managers

Most important roles

The demand for roles like sales, operations and engineering is high and thus the recruiters have to find a way to recruit candidates with such roles. The fast task therefore is to search the locations where supply of such candidates is more than their demand. Another method is to target these candidates with highly customized employer branding.
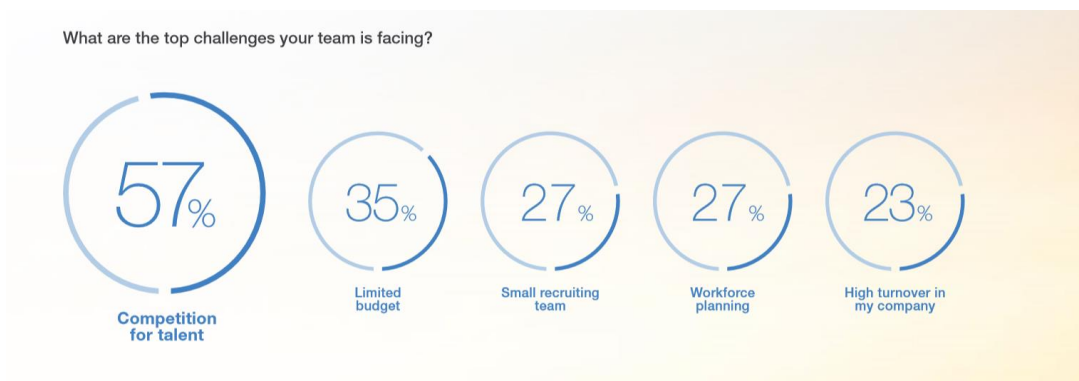
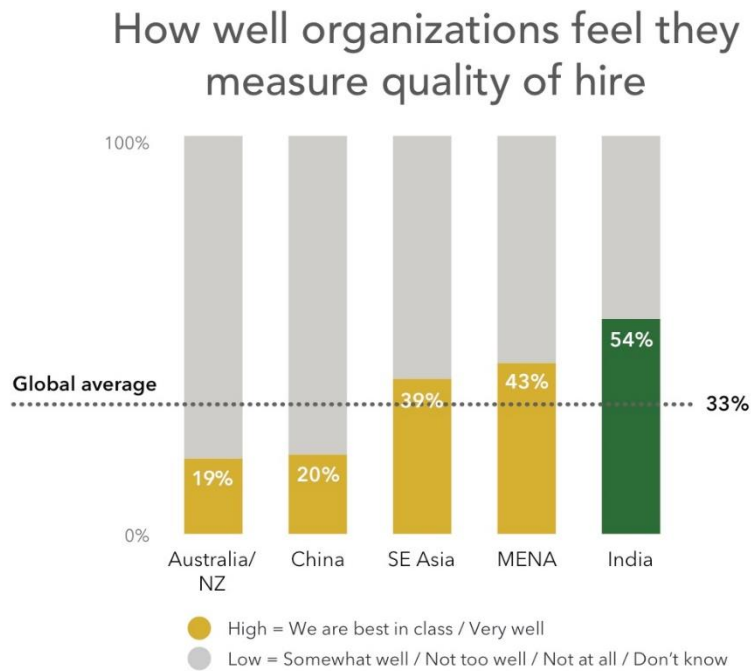Fig 4.19 Most important roles
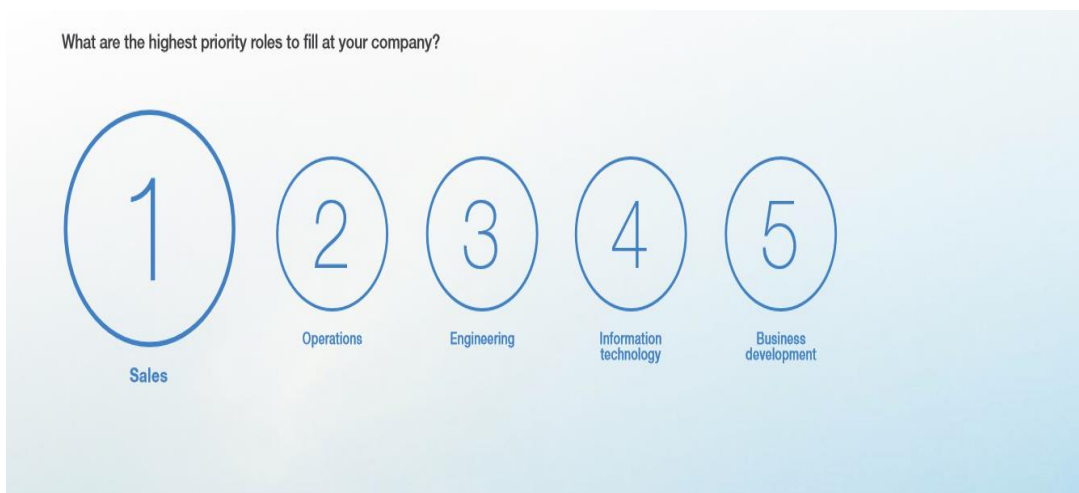
Biggest challenges

In situations of intense competition and scarce resources, employer branding is the most efficient way that can bring the process on scale.

Fig 4.20 Challenges

India leaders confidently measure quality of hire

Fig 4.21 Measurement of Quality of hire

How well organizations feel they measure quality of hire

Most of the Indian talent leaders are convinced that they are measuring quality of hire effectively.

India leads usage of referral programs

While most countries don't utilize their own employees for recruiting new hires, India is leveraging their employees extremely well. Strong relationships with employees and their networks will help organizations identify and source quality talent.

Fig 4.22 Employee referrals utilization

How well organizations utilize employees for referrals
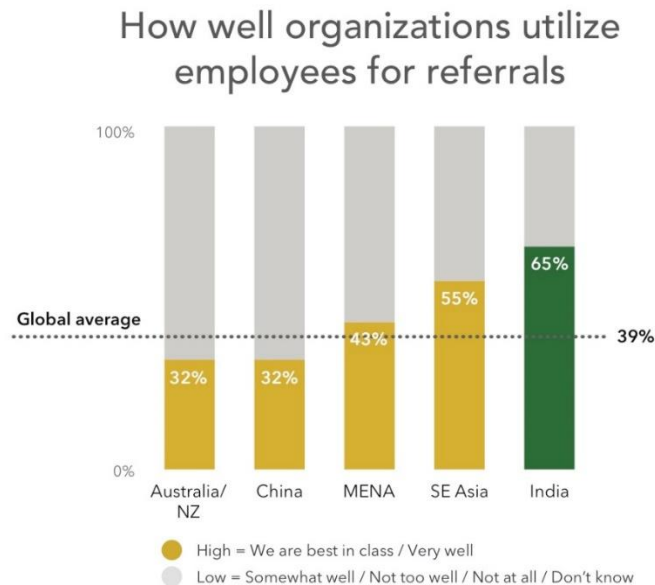
The push for employer brand is paying off

Employer brand has become a priority, and as a result, organizations are creating a unified strategy. While the top employer brand channels may be down trending, social professional networks continue to be the best tool.

Fig 4.23 Employer brand sentiment

Brand has a significant impact on our ability to hire great talent

Employer brand is a top priority for our organization

We have a unified employer brand that feels right for our company
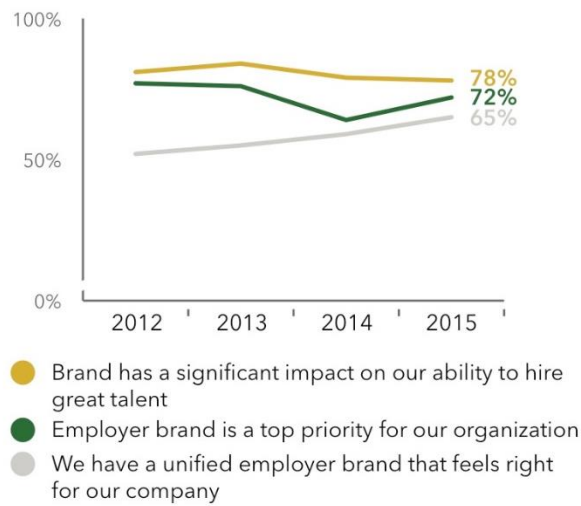
Fig 4.24 Most effective employer brand tool

Online professional networks (e.g. LinkedIn)

Company website

Social media (e.g. Facebook, Twitter)
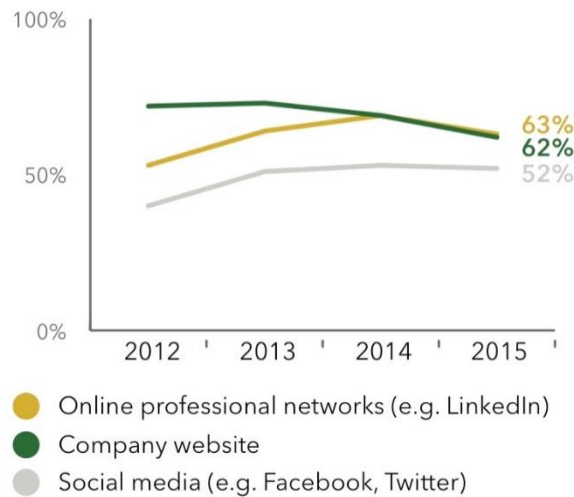
Partnership with marketing is crucial

As employer branding becomes famous among managers, it also becomes their shared responsibility. Therefore, talent acquisition is working with cross-functional partners, usually marketing. A strong relationship with marketing will power talent brand excellence.

Fig 4.25 Employer brand ownership

Employee retention emerges as a top priority

Retention of the hired employees is also at top of mind with the talent leaders. Internal hiring which helps in retention of the employees is however low on priority scale.

Fig 4.26 Organisational priorities

Time to focus on internal hiring
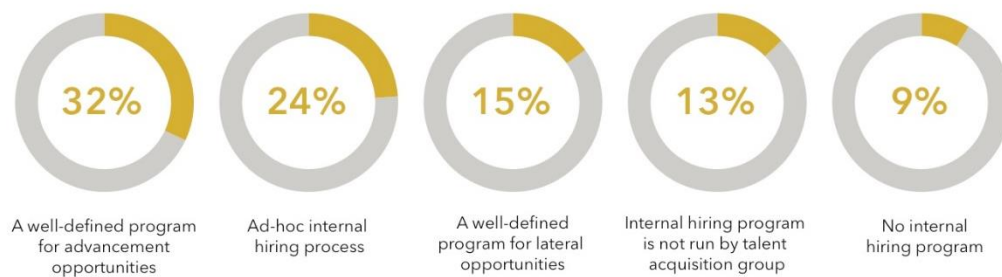
Since internal hiring isn't a top priority, there is no standard approach. While the majority of organizations have a well-defined program for career advancement, a large number of internal hiring occurs on a case-by-case basis. Even 13% say internal hiring isn't even run by talent acquisition. Not only should talent leaders formalize the internal recruiting process, but recruiters should maintain relationships with candidates post-hire and keep them in their long-term pipeline.

Fig 4.27 Current internal recruiting programs

32%	24%	15%	13%	9%
A well-defined program for advancement opportunities	Ad-hoc internal hiring process	A well-defined program for lateral opportunities	Internal hiring program is not run by talent acquisition group	No internal hiring program

Recruiting trends that are here to stay

Looking ahead, there are certain areas that will continue to remain dominant, like social professional networks and measuring quality of hire. Employee referral programs, employer branding and internal hiring are getting stronger.

Fig 4.28 Most essential and long-lasting trends

41%	40%	34%	22%	21%
Employee referral programs	Utilizing social and professional networks	Employer branding	Measuring quality of hire	Internal hiring/transfers
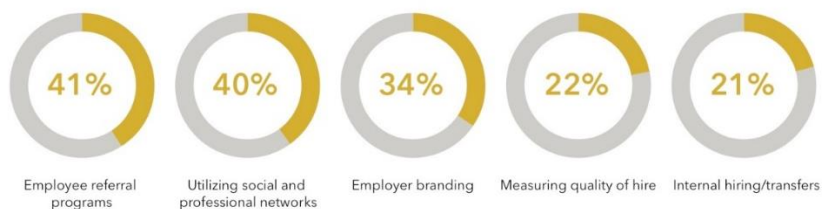
Investing the budget

Although employee referrals and employer branding are the most important sources of hiring quality candidates, still the budget allocated to these is not sufficient. The major amount of budget gets allocated to more traditional methods.
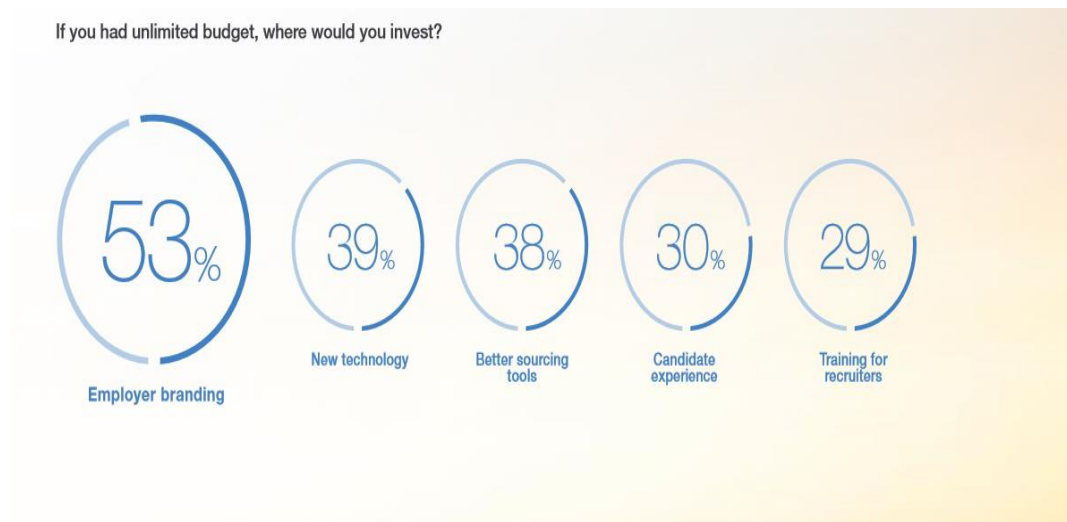
Fig 4.29 Breakdown of recruiting budget

What is the current breakdown of your recruiting budget?

Other — 8%
Employer branding — 8%
Recruiting events — 8%
Employee referral program — 9%
Recruiting Tools (e.g. sourcing, screening, ATS, CRM) — 17%
Recruitment agency costs — 22%
Job boards/advertising — 30%

Investing opinion

If there were no budget constraint then most managers would invest in employer branding, tools, enhancing the experience of candidates, enhancing their skills instead of short term needs.

Fig 4.30 Investing opinion

If you had unlimited budget, where would you invest?

53% Employer branding
39% New technology
38% Better sourcing tools
30% Candidate experience
29% Training for recruiters

Organisational values and culture

Both recruiters and employees understands the importance of the company culture. They feel that it is essential in standing out from other employees. Apart from the company culture, the long-term vision and fun perks are also important to them.

Fig 4.31 Recruiter and candidate priority

Recruiters:

What do you think attracts candidates to your company?

1. Company culture
2. Company reputation
3. Challenging work

Candidates:

What information would be helpful when considering a potential employer?*

1. Culture and values
2. Perks and benefits
3. Mission and vision

Focus on career growth

The factors that becomes the deciding factor for an employee to choose the job does not limit to the compensation benefits but extends to the career advancement opportunities as well.
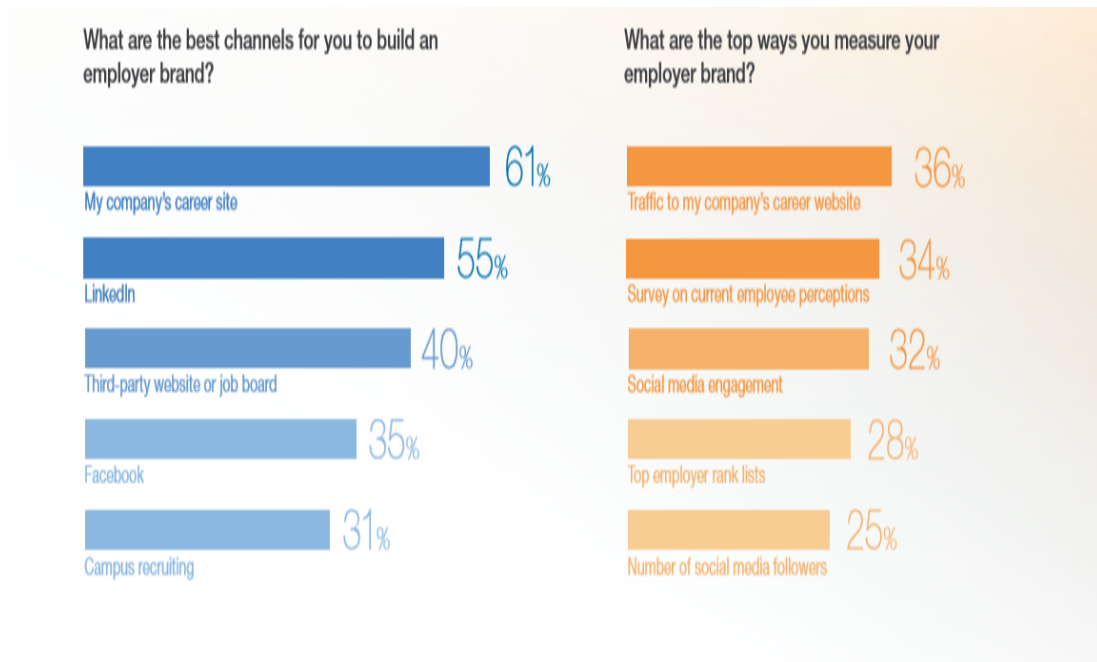
Fig 4.32 Candidate priority

What swayed you to accept your current company's job offer?*

45% Better compensation/benefits

44% Opportunities for career advancement

44% Challenging work

Top ways of employer branding

Most firms believe that the best way to build employer branding is through their website and LinkedIn.

Fig 4.33 Ways of employer branding

Key trends for future

Automation is the key future trend. It enhances the speed of candidate screening, reduces human bias and assess skills of the candidates more precisely. Other trends include big data analysis and diversity.

Fig 4.34 Future trends

5. FINDINGS

- Managers believe that finding the right talent is the first priority for their organisation.

- Majority of leaders believe that with the increase in hiring volume, they should also focus on attrition rate, hiring manager satisfaction and time to fill.

- Managers are identifying the importance of employer branding and believe that is is one of the most important area where they should invest more.

- Candidates reveal that would want to be part of such organisations that talk about career growth, company culture, and future challenges.

- Recruiters are identifying the importance of automation, diversity and big data analysis for screening and hiring process to eliminate time limitations and human bias.

- Online social media like facebook, twitter, google+ along with sites such as LinkedIn have become extremely famous for marketing and promotional activities.

- Although social media has penetrated deeply in the recruitment process to search for job or post vacancy but it lags behind other sources like recruitment consultants, hiring companies, job boards, company websites and professional networking sites.

- Employers must not just use the professional networks as a mere platform to post vacancies. They must ensure that they also provide relevant information like company culture, opportunities for employees and indication about future plans.

- It is essential for the job seekers to have an active participation in online media to have an edge over other competitors.

- The recruiters should not rely excessively on the social media. A mix of all the recruiting platforms must be used to find the best talent.

CHALLENGES FACED BY

EMPLOYER

- Finding the right candidate for the job is the biggest challenge since they are employed by the competitor. It is also troublesome to convince them to work for their organisation.
- The screening and interview process are often not reliable at distinguishing the fit candidates from unfit ones.
- Also, they feel that when right candidates are available, job vacancies are not.

CANDIDATE

- They are not able to negotiate the salaries properly.
- The employers are able to negotiate the salaries in their terms.
- Getting hired by your dream company is difficult.
- Clear indications are not provided when it comes to salaries and other benefits.
- Job boards are often filled with dead/fake/expired jobs
- Ethnic differences are observed
- Tech savvy generation is more preferred

"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. "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.

6. CONCLUSION

We saw significant shift in the trends of recruitment. With the advent of internet, the E-recruitment has become an important part of the recruitment industry. With its help the large organisations are able to track and manage the candidate applications. Organisations are also able to improve the efficiency of their recruitment process in terms of cost.

With the help of social media, the candidates can easily shorten the application cycle. They also feel confident. The recruiters on the other hand can easily communicate well with the prospective candidates thus ensuring the integrity of the organisation.

Therefore, it can be summarized that E-recruitment is not always suitable for candidate who intend to find a job. It can only give best results when used by the right person in the right way at the right time.

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