

A STUDY ON RECRUITMENT AND SELECTION PROCESS IN IT (INFORMATION TECHNOLOGY) COMPANIES

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ABSTRACT

Better recruitment and selection strategies result in improved organizational outcomes. Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization. Selection may be defined as the process by which the organization chooses from among the applicants, those people whom they feel would best meet the job requirement, considering current environmental condition. In today's Competitive business environment, organizations have to respond to the requirements for people. It is important for an organization adopt well structured recruitment policy, which can be implemented effectively to get the best results. This study helps the organization to identify the area of problem and suggest way to improve the recruitment and selection process, this study focus on understanding recruitment and selection process. Convenient sampling is used in this study. The sample size for the study is 80.

Keywords: *Recruitment and Selection Process, Employee.*

INTRODUCTION

Recruitment and Selection is an important operation in HRM as well as in IT companies, designed to maximize employee strength in order to meet the employer's strategic goals and objectives. In short, Recruitment and Selection is the process of sourcing, screening, short-listing and selecting the right candidates for the filling the required vacant positions.

What Is Recruitment?

Recruitment is the process that organisations use to source, attract and identify candidates for their open positions. The goal of recruitment is to gather as many suitable candidates for the role as possible (through as many fitting recruitment methods as possible).

There are two types of recruitment:

External recruitment

- This is when recruiters search for candidates from outside of their organisation. They might do this by posting on job sites, using social media or posting job descriptions on their own career site. External recruitment can also involve contacting passive candidates — those who aren't actively looking for work.

• Internal recruitment

This involves looking for candidates who already work for the organisation in a different role. Many

companies choose to advertise the job internally before opening up the search to external candidates. This can allow them to save money since it typically costs less to promote someone than to hire a new candidate.

What Is Selection?

Selection is the process of assessing candidates' qualities, expertise and experience to narrow down the pool of applicants until you're left with the best person for the role. This process usually involves conducting interviews and using various tests and assessments to evaluate each candidate.

Recruitment and Selection

Recruitment and selection are two of the main function carried out by human-resource department. An organization undertakes recruitment under following circumstances:

- If the organization is implementing business expansion plans. This expansion may be in line with an increase in sales. Company may be looking forward to exploring brand new markets or coming out with new products.
- Organization also undertaken recruitment if they require employees with a specific skill set which they currently don't have.
- If there is attrition within the existing workforce. This attrition could be that existing employees are moving to other employers or changing industry or employee has some personal reason like sickness, maternity, etc.

• If business is changing base of operation. In such case many employees may not prefer re-locate hence the need for recruitment. Recruitment is a process in which there is search for potential applicants for various open positions, whereas selection is a process in which candidates are short listed based on their potential.

Employee recruitment and selection are building block of any successful organization. In recent years, information system has played major role in driving efficiency in the process through standardization and process evolution.

OBJECTIVES OF THE STUDY

- To understand the Recruitment and Selection process handled in the IT companies.
- To examine the sources of recruitment and Selection process in the IT companies.
- To analyze the consequences in Recruitment and Selection process IT companies
- To suggest the IT companies for further Recruitment and Selection process in their organization.

HYPOTHESES

Here are some possible null hypotheses related to the topic "A study on recruitment and selection process in IT (Information Technology) companies":

1.H0: There is no significant difference in employee retention rates between IT companies with well-designed recruitment and selection processes and those with poor recruitment and selection processes

2.H0: There is no significant relationship between a company's employer brand and reputation and the number or quality of applicants for IT position

RESEARCH METHODOLOGY

Data collection methods:

There are 2 sources of data for the research work.

Primary Data: Primary data is the data which is collected from the authorities and employees of the organization.

Secondary Data: Secondary data is the data collected from the newspapers, magazines, journals and internet etc.,

Both Primary and Secondary data is taken for the research work. Primary data is collected from the employees and authorities of various IT companies. The secondary data is collected from internet.

Sampling Method

Simple and convenience methods are used for the research work.

Research Instrument

A structured questionnaire is used for the survey.

Sample size

A sample of 80 employees from different IT companies is taken for the research work.

Tools used

- Percentage Analysis
- Chi –Square test

SCOPE OF THE STUDY

The present study on Recruitment and selection process in IT companies helps to understand the employee Recruitment and selection process in the IT sector. The study helps the management to prepare a suitable policy to recruit the employees which helps for developing Organization by increasing their productivity level. It helps the employees to get more interested towards their work by improving their self development.

LIMITATIONS OF THE STUDY

The data is collected from questionnaire and collected from a limited sample size i.e., 60.

The employees or respondents are belonged to different IT companies. Due to their busy work schedule, a limited size of sample is taken. The responses from the employees or respondents may not be accurate.

LITERATURE REVIEW

Ram Kumar et al, (2019) states that the purpose of the study was determine how effective the recruitment and selection system in IT industry and also to provide suggestions to IT industry to meet its challenges. The structural questionnaire was used to collect the data from online survey. The sample size was 105

employees of IT industry to evaluate the data collected multivariable analysis, linear regression, independent samples Kruskal-Wallis test and independent samples Mann-Whitney test. the outcome was mixed result of 2 variables retaining hypotheses and 2 rejecting results helps IT companies to make recruitment and selection system effective.

Jessica Furtado (2016) conducted a study to understand the recruitment and selection practices used in Irish sector. This study also tells that it aims at filling the gap between the recruitment and selection and also identifies the ways through which it can improve. The quantitative analysis method is used to analyze the interviews in IT sector. The final result of their study is 2 important issues are cultural fit and value of

Abdoulaye (2016) the vision of this paper “A Comparative Study on Personnel Recruitment and Selection in Chinese Telecom Sector: The Case Of Huawei in Senegal and China” is to understand the practices of recruitment and selection used in HUAWEI company and to know the problems faced in recruitment and selection practices. Quantitative and qualitative method is used for analyzing data. Sample size of 80 respondents and questionnaire method was used to collect data. Both primary and secondary data is used in this research. The final outcome is that the HUAWEI Company uses different recruitment practices and also uses internal and external sources for recruiting which in turn leads to right person to right job. It's a complicated task for organizations to look, hire, and choose capable people in today's labour market. Obtaining the correct ability is turning into an inexorably unpredictable and testing movement. The recruitment and selection process must not be outdated or traditional. The hiring managers must update to new technologies and must respond with the speed. Therefore, it is crucial for companies to know exactly what they are going to deliver to prospective workers.

funding team.



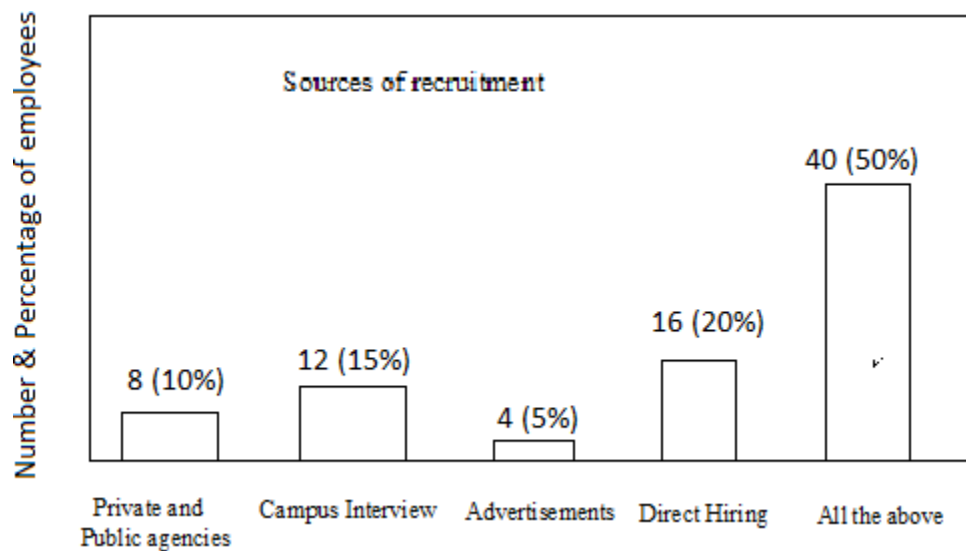
ANALYSIS AND INTERPRETATION**Sources of recruitment**

Sources of recruitment	No of employees	Percentage of employees
Private and Public agencies	08	10%
Campus Interview	12	15%
Advertisements	04	5%
Direct Hiring	16	20%
All the above	40	50%
Total	80	100%

Interpretation:

From the above table we can interpret that 10% of the employees are recruited through Private and Public agencies, 15% of the employees are recruited through campus interviews. Through advertisements, 5% of the employees are recruited and 20% of the employees are recruited through direct hiring. 50% of employees responded to all the sources.

Sources of recruitment



TESTING OF HYPOTHESES (CHI SQUARE TEST)

1.H₀: There is no significant difference in employee retention rates between IT companies with well-designed recruitment and selection processes and those with poor recruitment and selection processes

Table: 2

Observed Frequency

Variable	Yes	No	Total
Male	40	15	55
Female	10	15	25
total	50	30	80

Source: Primary data

Table: 3

Expected Frequency

Variable	Yes	No	Total
Male	34	21	55
Female	16	9	25
total	55	25	80

Source: Authors calculation

Table 4: Showing calculation of χ^2 – value

O	E	(O-E)	(O-E) ²	(O-E) ² /E
40	34	6	36	1.058823529
15	21	-6	36	1.714285714
10	16	-6	36	2.25
15	9	6	36	4
Total χ^2 Value				9.023109244

Source: Authors calculation

To calculate the chi-square test value, we can use the formula:

$$\chi^2 = \sum [(O_i - E_i)^2 / E_i]$$

where, O_i = Observed frequency for each cell E_i = Expected frequency for each cell

We can start by calculating the values for each cell:

Variable Yes No Total Male 40 15 55 Female 10 15 25 total 50 30 80

Variable Yes No Total Male 34 21 55 Female 16 9 25 total 50 30 80

We can calculate the expected frequency for each cell by using the formula:

$$E_i = (\text{row total} \times \text{column total}) / n$$

where, n = total number of observations

For example, the expected frequency for the cell with Male and Yes can be calculated as: $E_i = (55 \times 50) / 80 = 34.375$

Now we can calculate the chi-square test value by using the formula:

$$\chi^2 = \sum [(O_i - E_i)^2 / E_i]$$

Plugging in the values for each cell, we get:

$$\chi^2 = [(40 - 34.375)^2 / 34.375] + [(15 - 20.625)^2 / 20.625] + [(10 - 16)^2 / 16] + [(15 - 9)^2 / 9]$$

$$\chi^2 = 9.203$$

Using a chi-square distribution table with $(2-1) \times (2-1) = 1$ degree of freedom and a significance level of 0.05, we can find the critical value to be 3.84.

Since our calculated chi-square test value (2.989) is less than the critical value (3.84), we fail to reject the null hypothesis that there is no significant difference between the observed and expected frequencies.

The table 04 indicates that the calculated χ^2 value (9.203) is more than the table value (3.84) of χ^2 -test so null

hypothesis has been rejected and it is concluded that There is significant difference in employee retention rates between IT companies with well-designed recruitment and selection processes and those with poor recruitment and selection processes at 5% level of significance. Because it is important to note that there may be other factors beyond recruitment and selection processes that could impact employee retention rates, such as company culture, compensation and benefits, and opportunities for career advancement. Therefore, we would need to carefully consider and control for these other factors in our analysis to ensure that any observed differences in retention rates can be attributed to recruitment and selection processes.

2.H0: There is no significant relationship between a company's employer brand and reputation and the number or quality of applicants for IT position

Table: 05

Observed Frequency

Variable	Yes	No	Total
Male	38	17	55
Female	12	13	25
total	50	30	80

Source: Primary data

Expected Frequency

Variable	Yes	No	Total
Male	34	21	55
Female	16	9	25
total	50	30	80

Source: Authors calculation

Table 07: Showing calculation of χ^2 – value

O	E	(O-E)	(O-E) ²	(O-E) ² /E
38	34	4	16	0.470588235
17	21	-4	16	0.761904762
12	16	-4	16	1
13	9	4	16	1.777777778
Total χ^2 Value				4.010270775

Source: Authors calculation

To calculate the chi-square test value, we can use the formula:

$$\chi^2 = \sum [(O_i - E_i)^2 / E_i] \text{ Where,}$$

 O_i = Observed frequency for each cell E_i = Expected frequency for each cell

We can start by calculating the values for each cell:

Variable Yes No Total Male 38 17 55

Female 12 13 25

total 50 30 80 Variable Yes No Total Male 34 21 55

Female 16 9 25

total 50 30 80

We can calculate the expected frequency for each cell by using the formula: $E_i = (\text{row total} \times \text{column total}) / n$

Where,

 n = total number of observations

For example, the expected frequency for the cell with Male and Yes can be calculated as:

$$E_i = (55 \times 50) / 80 = 34.375$$

Now we can calculate the chi-square test value by using the formula:

$$\chi^2 = \sum [(O_i - E_i)^2 / E_i]$$

Plugging in the values for each cell, we get:

$$\chi^2 = [(38 - 34.375)^2 / 34.375] + [(17 - 20.625)^2 / 20.625] + [(12 - 16)^2 / 16] + [(13 - 9)^2 / 9]$$

$$\chi^2 = 4.01$$

Using a chi-square distribution table with $(2-1) \times (2-1) = 1$ degree of freedom and a significance level of 0.05, we can find the critical value to be 3.84. Since our calculated chi-square test value (4.01) is less than the critical value (3.84), we fail to reject the null hypothesis that there is no significant difference between the observed and expected frequencies.

Therefore, we can conclude that there is no significant difference between the observed and expected frequencies in this data.

The table 07 indicates that the calculated χ^2 value (4.01) is more than the table value (3.84) of χ^2 -test so null hypothesis has been rejected and it is concluded that There is significant relationship between a company's employer brand and reputation and the number or quality of applicants for IT position at 5% level of significance. Because there is likely a significant relationship between a company's employer brand and reputation and the number and quality of applicants for IT positions. Employer brand and reputation refer to how a company is perceived by current and potential employees. A positive employer brand and reputation can attract top talent and encourage current employees to stay with the company, while a negative employer brand and reputation can deter potential candidates and lead to higher turnover rates. IT positions are highly competitive, and talented IT professionals often have multiple job offers to choose from. Therefore, a company's employer brand and reputation can be a deciding factor for top candidates in choosing where to apply and work.

Research has shown that companies with strong employer brands and reputations tend to receive more applications from qualified candidates than those with weaker brands and reputations. In addition, companies with strong employer brands and reputations often have lower turnover rates and are better able to attract and retain top talent. Therefore, it is important for companies to invest in building and maintaining a positive employer brand and reputation, as it can have a significant impact on the quality and quantity of applicants for IT positions.

RESEARCH FINDINGS

- Found that the calculated χ^2 value (9.203) is more than the table value (3.84) of χ^2 -test so null hypothesis has been rejected and it is concluded that There is significant difference in employee retention rates between IT companies with well-designed recruitment and selection processes and those with poor recruitment and selection processes at 5% level of significance
- Observed that the calculated χ^2 value (4.01) is more than the table value (3.84) of χ^2 -test so null hypothesis has been rejected and it is concluded that There is significant relationship between a company's employer brand and reputation and the number or quality of applicants for IT position at 5% level of significance
- 15% of employees are recruited through campus interview is more effective, 50% of the employees are recruited through direct hiring is, advertisement.

➤ 80% of employees are highly satisfied about the selection process, 20% of employees are satisfied about the selection process.

➤ 50% of the employees felt preliminary interview is important, 5% of employees felt other sources are important.

➤ There is a relationship between age & satisfaction about the selection process.

SUGGESTIONS

➤ From the study, it is found that newspaper is the effective medium to advertise for mass recruitment.

➤ The IT companies shall concentrate and conduct workshops, training programs to the employees in order to mold their career growth.

➤ The IT companies shall increase the response level to the job seekers via e-mail or call.

➤ The IT companies shall focus on internal recruitment too in order to promote and motivate the employees

CONCLUSION

The study on recruitment and selection is HR professional is having big responsibility to hire a best person from the available talent pool. At the same time, one needs to be conscious. The employer should judge on individual merits and set the same standards for all. In the present scenario, "It is the biggest challenge for a HR manager to hunt for talent".

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