THE USE OF E-RECRUITING METHODS: ARE THEY IN VOGUE AND EFFECTIVE? SOME VIEWS

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Stream: Human Resource Management and Development
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ABSTRACT
Previously a person applied for a job using the traditional method of sending a posted résumé which took days if not weeks to return with an answer. Times have changed and the era of electronic recruitment is alive and well. This paper presents the ‘conventional’ method of recruiting; including views of different ‘new’ ways, with the focus on e-recruiting, its effectiveness and suggestions that the ‘old’ system used to recruit people is in need of an overhaul as well. The computerisation of human resource departments also means advertising jobs on the Internet, including the screening of applicants through various software packages. Does this imply that e-recruitment is in vogue and that it is effective? Companies like Nike have utilized the electronic recruiting methods in the best possible way. Software like ‘active recruiter’ has helped Nike to completely change their recruitment process and make it more effective. E-recruitment therefore seems to be revolutionising the way employers hire employees.

Key words: Recruiting, electronic recruiting, effectiveness, in vogue
Stream: Human Resource Management and Development

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INTRODUCTION
We have all heard about designer clothes and shoes; and of late ‘designer babies’ as well. It's a new creation of genetic engineering. This technology allows a couple to design their own baby according to their own desire. In this way parents can decrease the risk of their child being born with genetic disorders. Parents can determine skin colour, and gender, they can even manipulate their baby's brain cells. It may be ethically wrong, however, but it can be a good way of treating non curable diseases like aids and cancer. All of this is now possible with the innovations and inventions of mankind. In the past, man used to consider a dog as their best friend, but now things are changing at a considerable speed; that position has now gone to computers. However, computers cannot be trusted all the time like dogs. Computers are now involved in each and every aspect of life. Computers have become so important that without them nothing is possible. Now what has this got to do with human resource management (HRM)? Everything is the simple
answer. There are numerous contributions from computers to HRM and as such e-recruitment has become one of the most recent methods to recruit personnel.

Do you still remember the first time you applied for a job using the traditional method of sending in a paper copy of your résumé? The sheet had to be folded three times to be able to fit it into an envelope with a stamp on it, to post it. It took two or three days to reach the prospective employer and another ten to fourteen days before you heard from them. Today you are also able to sit in the comfort of your home or office and use the computer to send your résumé to a hundred companies within the span of minutes, which was not viable in the past. Times have changed and the era of electronic recruitment is truly upon us. Does this mean that e-recruitment is in vogue and that it is effective? Let’s now investigate this phenomenon regarding HR e-recruitment.

This paper presents some background to the ‘conventional’ or ‘old’ way of recruiting and then reviews different ‘new’ ways, with the focus on e-recruiting and its effectiveness. Discussions regarding suggestions as to the applications of e-recruiting involving the incorporation of departmental strategies for increasing or reducing staff levels via electronic resource planning is presented as well.

BACKGROUND

The traditional recruiting process

The traditional approach to engage employees (Nel et al. 2004 and Rudman, 2005) was paper based, followed by interviews at some geographical location. This process entailed a great deal of time in preparation, travel and interviewing.

The actual process included the following steps:

- each department determines employment needs,
- justification of the requirement presented
- agreement to employ granted
• advertising methods determined to suit likely sources
• advertise various media, consultants
• responses received
• length of short list decided
• select a number of CV's to read, store balance
• if short list complete interviews arranged
• if not filled select other from stored CV's
• Ask selected candidates to an interview
• Decide form of interview and testing
• Interview
• Create final list
• Second interview
• Select preferred candidate
• Make an offer to the successful candidate
• Acceptance or start again (should candidate refuse appointment.)

This process, depending on the number of applications, may have resulted in a good candidate not being asked for an interview. This is common practice, because when a large number of resumes have been received, the approach is to select only a limited number of potential employees for interviews. Candidates who knew the system would frequently try to make their CV "stand-out" by utilising distinctive or novel folders and paper. The whole process was flawed, costly and time consuming.

**Figure 1**: Recruiting process

The whole system used to recruit people outlined above suggests that it was in need of an overhaul. The advent of computerisation of HR departments means that we can now advertise
jobs on the Internet and we can even screen applicants through various types of software available. This results in all candidates receiving a fair chance of being in the initial cut. Once the initial cut is made computer based programmes can provide systematic psychometric testing, thus allowing us to do the whole selection process online.

Technology has progressed to such an extent that you can even interview people online and select the suitable person from anywhere in the world. Online recruiting has in fact made the world a global village. Reports suggest that around 60 percent of software engineers recruited in United States is from developing countries especially from India and they were interviewed through online testing and video conferencing. This has made it very convenient to select a person with the best skills and experience from around the world. It is an effective way for recruiting staff for jobs with a technical nature in particular. However, this is not a very suitable method when it comes to jobs where the applicant needs to have face to face interaction with the clients (Coleman, 2006). Let’s now focus on e-recruitment.

**E-recruitment**

What is electronic recruitment? This is a question often asked by people who are unaware of the capacity of Internet and computers. Härtel, Fujimoto, Strybosch and Fitzpatrick (2007) explain that electronic recruitment is the selection of prospective candidates applying for a job via the Internet (external) and Intranet (internal). E-recruitment is also known as on line recruitment. Using this method, a candidate who is applying for an advertised position forwards their CV and a covering letter electronically to the advertiser’s website. That particular CV is retrieved by the advertiser and screened among the other CV’s received from different candidates.

One of the main advantages of electronic recruiting methods is the accessibility. Anyone from anywhere can apply for an advertised job. It does not matter if the applicant is located in Timbuktu and the employer is in Sydney. The system is available for both parties 24/7, which in
turn is another advantage. Gone are the days when you had to send your CV to an advertiser and had to wait for the reply for days or even weeks. Almost ten years ago Bemus, Henle & Hogler (1998) referred to this system already in that the advertiser having received the application can screen it and the applicant could then receive feedback immediately regarding their possible success for the job.

*The direction of e-recruitment.* Du Plessis (2007) as well as Härtel et al (2007) support the fact that technology is an invaluable tool for most HRM processes to execute its tasks in an organisation. It not only streamlines the processing of employee data, but it is also useful in the recruiting process. It is also very effective and quick, therefore it is in vogue in all countries and by more and more recruiters. E-recruitment is growing exceptionally fast as more and more of the population gains access to technology. Even those who do not possess their own personal computers are able to utilize this means for a job search by using cyber-cafes. Organisations and employment agencies can display their vacancies and work-seekers can enter their CV’s on the World Wide Web at a relatively inexpensive price. There are some disadvantages that will be discussed later in this paper.

Installations of software like ‘active recruiter’ have helped Nike to completely change their recruitment process to make it more effective. Previously it took 62 days to fill vacant positions, but now, with the help of online recruitment, it has been reduced to 42 days. With the introduction of e-recruitment line managers got rid of most of the paperwork and seldom loose information, because thousands of résumés can easily be stored and retrieved. At the Nike headquarters they consider each and every application as a prospective employee and they do not want to miss the opportunity to get the most talented person. Therefore each and every résumé has to be taken care of. Software like ‘active recruiter’ has made that process easy for the company. ‘Active recruiter’ is a part of the recruitment process from the beginning. Applicants post their résumés on the company website after filing their profile. Once that is done a major part
of the work is done. The paper copy résumés vanish and all the résumés are stored on the
database and the line managers can view the short listed employees whenever they wish to do so.
In addition to this, the system shortlists candidates, according to their skills and experiences. The
rest of the applicants are stored in the databases for future references. By doing this Nike does not
have to rely on agencies when future job openings arise as they have their own pool of interested
applicants on their database already. Another special feature of the system is that it sends
automatic messages to registered applicants in Nike every six months to renew their details. With
the use of e-recruiting Nike has saved around 54 percent of their recruitment cost and has got
8500 interested applicants in their database. By the end of 2003, Nike was the world’s biggest
shoemaker employing 23000 people worldwide and having reported revenues of 10.3 billion
dollars (Strategic HR Review, 2005).

**Benefits**

The potential benefits of e-recruitment are:

- Unlimited exposure of advertisements for local, national and international markets
- Less advertising costs such as using seek.com and others
- Vacancies are immediately accessible for 24 hours a day
- Unlimited length of the advertising material unlike newspapers costly small ads
- Employer and candidate can interact utilising online communication devices
- The recruitment system can be integrated with other computerised HR functions such as
  payroll and databases (via human resource information systems [HRIS]).

When applying online, applicants immediately enter their details into the database, and can then
apply for as many jobs as they wish. E-recruitment provides the automation and efficiency of
information management, reduces costs to recruiters and increases the choice of jobs to
candidates. It also removes the need to manage mail-outs of recruitment forms and receipt of completed applications (Furness, 2007; Härtel et al, 2007).

Online recruitment is becoming more and more attractive as traditional companies create their own web sites and form strategic partnerships with online job boards. An example of this is Careerjunction.com, which is part of the Johnnic group and which consequently benefits from liaising with Times Media.

**Figure 2:** External influences on workforce recruiting

In terms of applying for jobs online Stone (2005:201) advises job seekers to do the following:

- Research carefully to find the right sites
- Check if the site belongs to a head-hunter or a recruitment site
- Check that job adverts are updated regularly
- Don’t expect too much
- Check the confidentiality of the site
- Don’t post personal details such as address, although you may leave a phone number
- Think carefully about sending your résumé, as having your résumé on too many sites can make you look desperate
- Re-post your résumé regularly so that it appears near the top of any research

Some critics have however lodged the need for better screening of candidates on the Internet recruitment web sites of organisations. Irrelevant and poor quality applications can fill up the space of the much wanted and needed candidate on a website as well.
ADVANTAGES OF E-RECRUITMENT

A major advantage of e-recruitment is the speed with which all activities take place. Many retailers face the problem of quickly getting staff during peak seasons, especially during Christmas. Everything happens so fast that it is hard for them to manage all aspects sequentially. In the past it was quite difficult to process the applications as retailers had to concentrate on the business whilst recruiting their staff as well. With e-recruitment applicants can register for seasonal work and whenever an opportunity arises they can be offered a position. To assist in this there are online tests and screening options for selecting the right person. Most of the retailers look for young people aged between 18 and 23 for seasonal work which, fortunately, is the age group primarily looking for jobs on the Internet. In this way applicants get the job without much hassle and the employer gets suitable candidates within a short duration of time, with less hassle in the selection process. In this way both the parties are happy (Trapp, 2002).

Along with speed comes the aspiration of getting the best employee. Engaging the best is at times a big challenge for the HR department. Getting the wrong person can be a waste of money, resources and time. With the help of e-recruitment, employers can easily search for the person best suited for a particular job. Most e-recruitment websites and software have filters which help businesses get what they want; rather than wasting their time going through a lot of unnecessary applications as was the case in the past. Certainly e-recruitment has become bigger than any form of paper publication (Schoen, 2002).

E-recruitment is not only helping people in the private sector but also the institutions in public sectors. In America the cost of recruiting a nurse has gone up to 60-70 percent in the last few years. Every bad or wrong judgment in selecting a person costs hospitals $120,000 in both direct and indirect costs. Direct costs include the cost incurred in recruiting, interviewing and training. Indirect costs include damaging reputation, influence on morale, absenteeism and productivity. E-recruitment helps health organisations with multiple hospitals in one market to allocate the
applications and information and to integrate payroll and other human resource systems. E-recruitment helps hospitals to do web interviewing which again helps to screen out candidates who would be a waste of money and time if they go forward to the next level of the interviewing process.

Along with this, hospitals can find out if the candidate will fit into the hospital culture and whether the person likes a fast paced environment or not. A main advantage is that consistent information is obtained from all candidates as the same questions are asked to each candidate; this allows the legal requirement of equal treatment of applicants. Additionally, e-recruitment software helps hospitals to post job vacancies in thousands of websites and jobsites which in turn save money by not putting advertisement in print. E-recruitment has provided hospitals with a competitive edge in the labour market. (Marzulli, 2002). One of the most prominent software packages used for the hospital industry is oracle's i-recruitment, developed by oracle's HRM system. It helps managers, recruiters, and applicants, to actively handle the recruiting cycle through an intuitive Web-based interface (Sayles, 2003).

It's not only hospitals benefiting from the technology but other public sector ventures like schools as well which all have centralised databases for the districts or for a whole country. Applicants send résumés to the central database; the system then filters the application and sends it to schools according to their needs. Pre-screening software used at this point are great time-savers for employers and candidates as well. They can help recruiters to design individual online questionnaires for specific job requirements. With the help of this software, employers can easily separate the good from the bad, and potential applicants learn quickly whether or not they are actually qualified or not for the job being advertised. The software also allows the recruiter to get the applicant's past information which is usually not found in any résumès (Dysart, 2006).
The use of e-recruitment methods have advanced so much that in future most big companies will have to have automated résumé screening and searching equipment to remain competitive in their respective industries. It will become a must in every company along with printers, scanners and Xerox machines. Résumé screening machines will make screening, organising, and finding résumés easier. E-recruitment is revolutionising the way employers hire employees (May, 2006). There are two types of e-recruiting systems; an “applicant tracking system” tracks demographics and information, as well as the skills of the candidate being interviewed. This system then selects candidates on pre-defined criteria and sends letters to both qualified and unqualified applicants.

The second system is called “hiring management” system (HMS). The main difference between HMS and the “application tracking” system is that it goes to job boards and corporate websites to create a match from the applicants. The company receives an e-mail when a matching résumé comes into the system. This helps the company to speed up the interview and selection process so that that the particular candidate does not go to another company (Bussler & Davis, 2002). Cullen (2001) says that e-recruiting is like the first in a string of firecrackers. Its explosive success ignites a series of explosions throughout the HR departments of the so-called “best-in-class” companies. It shows how HR has moved to a whole new level of integration which will help management to move faster and make more accurate decisions. The new technology has saved HR a lot of money and time, which is vastly advantageous for companies. Managers are also pushing for the whole recruitment system to be redesigned (Cullen, 2001).

From a critical point of view, E-recruiting holds great promise for recruiting efforts now and in the future, because various problems including legacy systems, corporate security systems, and redundant applications can slow HR department efficiency to the old paper crawl we were trying to speed up by using technology (Willenbrock, 2005). However, various studies suggest that although e-recruiting attracts more candidates, there is only a little information available to prove that it gets the best people (Ray & Thomas, 2000).
DISADVANTAGES OF E-RECRUITING

With smiles comes tears, with every action comes an equal and opposite reaction. Some managers and recruiters think that e-recruitment has allowed them to get applicants faster and cheaper but it has equally reduced the applicants ability to express his or hers individuality and character, and most of the time these are things that companies should look for in an applicant (Corsini & Skip, 2001).

Online résumé builders and profile editors have largely eliminated peoples’ thinking ability and creativity. Everything is readily available on the net and applicants don’t spend time on thinking about what skills they have got and what they can actually do. They simply cut, copy and paste someone else’s work, but they have not mentioned any of their own qualities. In a way they are cheating the companies by making false claims. Companies are now taking steps to overcome this situation by including psychometric testing and other kinds of aptitude tests before physically interviewing people.

Online recruitment services have now become the most common applications on the Internet. Every day millions of people search the Internet around the world to browse for their dream jobs. There are so many people browsing the same applications on the Internet that system crashes are becoming a regular phenomenon. The main problem is the query key; most of the users search through hundreds and thousands of jobs for a particular query and that overloads the system. Most of the time the user gets the query right but at times the wrong information is passed on. Two users doing the same query can get different results (Bradley, Rafter & Smyth, 2002). Although e-recruitment methods have helped us in a lot of ways, these types of minor blemishes can put a black mark on the whole industry. Query keys are one of the major areas when it comes to e-recruitment. Both the employer and the candidate rely of the search keys. If the search keys malfunction, neither employer nor candidate will be able access the information they need. The whole system will have to be either improved or upgraded to meet market needs.
Another e-recruiting problem is whether everything is done according to the relevant legislation. Whether the job is advertised through the web or through the newspaper, the laws surrounding both are the same and all procedures have to be maintained. Online advertising is totally different from newspaper advertising. In online advertising thousands of résumés and feedbacks are received by organisations, but when it comes to newspaper advertisements there are only a few and it is easy to maintain. When using e-recruitment, people often forget to follow the right procedures. Most of the time the volume is so great that even non HR professionals has to assist to go through it (Hoekman, 1999).

According to the legislation in some countries, every company has to comply with their Privacy Act. They need to get permission from the applicant before storing their information on their databases. But most of the time it does not happen and an applicant’s privacy are at stake; unless efforts are made to purge the data bases of unsuccessful applications. From an employer point of view it can take benefit of low-cost, handy, and pioneering way to appeal to prospective recruits. However, because there are no clear rules to ensure that Internet recruiting complies with civil rights laws, recruiters need to use this tool cautiously (Bemus, Henle & Hogler, 1998).

Another issue faced by online recruitment is that it is not quite so useful for the jobs in the local market. There is little point advertising a job on the Internet when the applicant needed should be from the local area; many unnecessary résumés could be received for the job from people who actually do not qualify. In this way a company may waste a lot of time going through all the non-qualified résumès unless they employ good filtering software. In addition, since everyone does not have access to Internet, it will not reach all potential candidates. This is one of the biggest drawbacks of online recruiting. This means that the jobs advertised on the Internet must be advertised in the newspapers as well. This reduces the chances of the prospective employee not seeing the job advert but will increase the costs of recruiting; e-recruiting releases plans to their opposition.
MANAGEMENT’S IMPLICATIONS

The advent of e-recruitment has meant that the management of such a system changes. Traditionally management was focused on ensuring advertisements were ready for print to meet media deadlines. Part of this was the preparation for phone contact, and postal responses. If electronic scanning was used this was hand fed into a scanner for comparison. In its effort to shift to e-recruitment, The New Zealand Government is investing heavily in the e-recruitment market. For example: until last year Auckland District Health Board used to advertise their vacancies in the New Zealand Herald but now they have a dedicated website www.aucklandhealthcareers.co.nz which advertises all the job vacancies in the hospital.

Although it is a good strategy on the part of the NZ Government, because it can save a lot of money on advertisements, the savings could be used to treat more patients. It is, however, bad news for the newspaper industry, because they would be losing income. Most of the revenue newspapers get is through adverts but if more and more companies move towards the e-recruitment market, including the public sector, the time is near when we will see print media being ousted by the electronic media. The future of the print media therefore seems bleak as more and more companies are investing heavily into this lucrative e-recruitment market (Branwell & Johnson, 2003). Management cannot blame anyone for this movement, e-recruitment is cheaper than traditional recruitment and it is faster as well. Studies show that e-recruitment takes only one third of a cycle time; the time taken for a vacancy to be offered to an applicant. The time compared here is with the traditional method of offering the jobs to the candidates (Taylor, 2001).

RECOMMENDATIONS

The above discussion leads to a number of possible actions for managers. It shows that careful consideration should be given to which jobs need to be handled in the traditional style and which
could be executed electronically. A considerable effort must be made to efficiently allocate funds to measure the performance of e-based systems. There could also be great gains by integrating the e-recruiting to production planning systems in order to foretell of changes in employment levels within the organisation.

HR managers will have to be alert to all information provided from the applicants’ résumés so that they don’t waste money on interviewing the wrong candidates. They will have to align the HR objectives with the organisational objectives to ensure that they recruit, select and employ the right candidate for the right job.

CONCLUSIONS

Electronic recruitment has changed the way jobs are applied for and has become so simple that anyone can do it. The credit goes to computers and the Internet. The whole world has become a small place with the use of the Internet and everything is made easier for better application. The internet and e-recruitment therefore face a very bright future.

The future generations who are growing up with computers are not likely to use the traditional methods of recruitment; they will probably primarily rely only on the e-recruitment method. Companies in the future will see e-recruitment as their main business tool; a tool with which they can control the job market. It will most likely also give them the competitive advantage in the tough labour market. Simplicity, stability and speed will be the three key features of e-recruitment in the future.

The paper era is rapidly coming to an end and electronics and computers are going to take over many processes in the international business world in particular. Who knows what comes next. There is definitely great potential in e-recruitment as evidenced by the emergence of international companies in this field, and with news papers entering into the electronic recruitment to offset their decline in paper advertising business (Dowling et al. 2004).
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Figure 1: Recruiting process

Job analysis includes:
Job description; Person specification; Job context; Job evaluation; Job redesign

Workforce planning: HR and Organisational demands

Recruiting includes: for which jobs; supply and demand; methods; to fill current vacancies; to supply future demands;

Alternatives to recruiting:
* Outsourcing
* Overtime
* Employee leasing

Recruitment process including sources, methods, policies, procedures, techniques

Recruited talent

Process ends

Initial screening

Perceived unacceptable candidate

Reject

Possible acceptable candidate

Selection process begins

Source: Developed by A J du Plessis for this paper
Figure 2: External influences on workforce recruiting

Source: Developed by A J du Plessis for this paper