

E-Recruitment Practices and Organizational Innovation: Evidence from Nigerian Manufacturing Firms

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Abstract

Human resource has been of significant development in the field of organization as one cannot exaggerate its importance of humans to an organization as they can make or break a company's reputation, which in turn adversely affect organizational performance. The aim of this research is to determine e-recruitment and its effects on organizational creativity and innovation in Nigerian manufacturing firms. Using qualitative research methods, a onetime survey was conducted in three selected Nigerian manufacturing firms. Primary data was analyzed using descriptive and inferential statistical (t-test) techniques with the aid of Statistical Package for Social Science (SPSS). The findings of this study revealed that the most frequently used forms of recruitment were the internet, newspaper advertisement, TV/radio advertisement, transfer and promotions. Cost recruitment of recruiting applicants was the major challenge faced by the Nigerian manufacturing firms. The study concludes that labor productivity and organizational creativity can be increased by ensuring that organizations are more creative and up to date with technology.

Introduction

In recent times, the importance of having an effective Human Resource Management system cannot be over-flogged as it is concerned with people and management policies as well as the systems that influence the workforce. Organizations are made up of manpower, money, materials and machineries. These resources when collected coordinated and utilized through people. Combining all manpower effort allows an effective utilization of all other resources in achieving setout goals and objectives. An organization or business having the best technology and/or physical resources without the right and available personnel is already slated for failure.

In this era of globalization, there is the need for organizational survival and success. This need puts employers in positions to practice recruitment and selection of employees in the best possible way as the success of any business or organization is directly linked to the performance of the workers in that organization. In the same vein, under-achievement is attributed to failures of the workplace.

Recruitment and selection are vital for organizations as individuals with the appropriate qualifications must be attracted on a timely basis. Recruitment and selection play a crucial role in shaping of an organization's effectiveness and performance, ensuring workers' performance and positive organizational outcomes. Recruitment of workers occurs not just to replace outgoing employees or add to the workforce but is also aimed at filling positions with people who can perform at a higher level and commitment. Being the primary mode of attracting quality applicants by organizations, the recognition of recruitment is so wide that manufacturing companies seek to have competitive advantage over their competitors. This is a means of responding to the shift in the conditions of the labor market (Carlos et al. 2002).

With the rapid global change, it is important that firms, business and organizations are abreast with these changes in their surroundings. The internet has changed the world and has an impact on every walk of life. E-recruitment is an area of technology that has changed the corporate world (Ashok & Priyanka, 2014). Introduction of the internet has altered the communication and information dissemination in the society as well as the recruitment process. Currently, the internet is one of the greatest available resources for attracting candidates for vacancies. E-recruitment is the process of using the internet to identify and attract qualified employees to an organization.

This method of sourcing for candidates online supersedes the recruitment process of advertising, collating resumes and selecting the right candidates in an easy and cost effective manner (Ashok & Priyanka, 2014). Despite the rapid growth of using the internet, there is an existing gap between research and the practice of e-recruitment (Anderson, 2003; Sylva and Mol, 2009).

Evidences showing a positive relationship between e-recruitment and organizational performance have been provided by researchers. The findings of research studies carried out by Khan et al, (2011) and Babalola et al, (2015) showed that e-recruitment had a positive relationship with the organizational performance. They also critiqued it because job seekers have difficulties in accessing company websites with ease.

Therefore, there is a need to examine the influence of e-recruitment on organizational performance in manufacturing company to fill the identified gap in literature. This study focuses on impact of e-recruitment on organizational creativity and innovation in Manufacturing Companies in Nigeria.

Statement of the problem

The growth and development of a society is directly or indirectly linked with the Manufacturing companies as these companies are the principal sources responsible for expanding the production of goods that strengthen an economy and enrich the lives of citizens. In recent times, the increase in the rate of business failure and low productivity within Nigerian manufacturing companies is as a result of low levels of organizational performance.

In Nigeria and other parts of the world, recruitment is being practiced via the internet in both public and private organizations. Currently, there is little or no evidence in the Nigerian manufacturing sector to indicate how workers are recruited and selected.

The lack of inadequate information and evidence of recruitment and selection processes within manufacturing companies may cause organizations not to achieve set out organizational goals and objectives. The overall target of manufacturing companies can be ruined if adequate recruitment and selection practices are not put into place. Therefore, there is the need for management to put in place strategies that will aid the recruitment of the best employees to achieve organizational goals and objectives.

Objectives of the study

The general objective of this study is to identify the impact of e-recruitment on organizational creativity and innovation in Manufacturing Company in Nigeria. Consequently, this study seeks to undertake the following specific objectives:

- i. To examine the impact of e-recruitment on organizational creativity and innovation in Manufacturing Companies in Nigeria.

Research hypothesis

The study will be conducted with the help of the following alternate hypothesis:

H₁: E-recruitment does not have a significant impact on Organizational creativity and innovation

Research method

This research therefore covers three Manufacturing Companies in Nigeria. Secondary data were obtained through books, journals, and internet. Empirical works of other scholars were consulted. A sample size of 348 was obtained from the population of 2,666 at 5% error tolerance and 95% degree of freedom using Yamane's statistical formula 348 (100%) of the questionnaires distributed 312 (90%) were returned and 36 (10%) were not returned. The questionnaire was designed in Likert scale format. The researchers conducted a pre-test on the questionnaire to ensure the validity of the instrument. One-Sample Statistics analysis was used to test the hypothesis

Literature review

The Concept of Recruitment

The function of any business enterprise depends heavily on the quality of human resources they possess. Getting a formidable workforce can only be achieved by effective recruitment and selection practices (Gamage, 2014). Recruitment can be described as customary actions used in obtaining sufficient numbers of qualified individuals to carry out goals and objectives. Simply, this process provides organizations with potentially qualified candidates to fill vacancies (Costello 2006; Opatha 2010) with minimal costs (Daft, 2000; Berry, 2003 and Maarten 2006).

Recruitment exercises can be conducted at designated times when the need arises to fill vacant positions created by former employees. During this process, applicants are well and fully informed about the required

competencies and the opportunities the organization provides to the employee. A clear and precise knowledge of the job guides potential employees to perform exceptionally as they are aware of what is expected of them.

In a study carried out by Amadasu (2003) on Ajaokuta Steel Mill, it was observed that the poor performance of the steel was partly due to the poor performance of the staff. The study reported that proper recruitment strategies were not put in place to ensure that qualified staffs were recruited. This outcome shows that poorly done recruitment brings about poor performance in an organization. Irrespective of the failure of personnel functions at Ajaokuta Steel Mill to achieve its organizational goals, there is an establishment that sourcing for and attracting a competent workforce enhance performance in an organization.

The process is recruitment cuts across all sectors of an economy and is of importance as organizational performance depends greatly on quality and availability of labor force.

A research carried out by Barber et al. (1999) in 171 United States firms indicated that most recruitment practices were referrals and advertising while Cassell et al, (2012) found out those employee referrals played an effective role in hiring. Word of mouth was considered an effective method of recruitment as it had no financial implications especially for organizations that had scarce resources (Greenidge et al., 2012).

However, recent recruitment researches show that the use of internet is increasing as a source of applicants for organizations and as a job search tools for employment seeking individuals (Pfieffelman et al, 2010). According to Kar&Bhacharya (2009) online recruiting allows better targeting and greater availability of candidates for employers rather than the traditional methods of advertising in newspapers or on TV and radio stations.

E-Recruitment

The digital era has brought a new dimension to the world of recruitment. E-recruitment is a means of internet is used as a means attracting qualified candidates for available jobs. In the early 2000's, the main communication source of most organizations were their career websites. These websites ran vacancies, contact details, news of the organizations and changes in the organization (Holm, 2012).

In her study conducted in three Danish companies, Holm (2012) argues that e-recruitment represents a change in the culture of recruitment. She states that the environment of e-recruitment is an agency hosting system while an individual is the locality lived in. Furthermore, she states that organizations without online recruitment should review their recruitment strategies and practices to adapt to environments they operate in.

As a technological innovation, e-recruitment improves the process of recruiting knowledge via the internet. It also allows organizations save costs, update job offers and status at any point in time, shortens the recruitment cycle time, identifies and selects the best knowledge potentials out of a wider range of candidates while giving the organizations opportunities to improve their profiles and images.

Furthermore, better and faster recruiting constitutes a competitive advantage against organizations businesses within the same industry. Most job seekers are comfortable with applying for jobs online compared to the traditional methods because it saves time and money with the possibility of browsing through a wider range of job offers.

E-recruitment in Nigeria was introduced in the public sector in 2005. Among other agencies, the Federal Civil Service Commission (FCSC), Nigerian Army, Nigerian Police Force and Corporate Affairs Commission (CAC) adopted the use of the internet in their recruitment process. Many organizations in Nigeria that have the potential of attracting a large number of applicants engage private recruiting consultants and in the process extort money from applicants (Ikechukwu, 2010).

The inadequacy of paper-based applications is a major reason for the shift towards e-recruitment. This shift arises from the improper storage of paper applications that leads to delays in the application processing time which increases hiring time as well as the cost to hire. A survey carried out by Chartered Institute of Personal Development (CIPD) showed that employer websites were the fourth most popular method of recruitment as seven out of ten advertised vacancies on their websites, while job boards were used by four out of ten (Omolawal, 2015).

In 2005, online recruitment represented 22.1% of all online advertising and was estimated to grow from £158m to £262m in 2007. However, the trend has continued to grow and expand. In the business world, online

recruitment is now an integral part of the recruitment as it allows employers post detailed vacancies online to enable applicants review information at their convenience. Organizations having a website allow them conduct online recruitment by storing information about available positions, employee benefits to potential applicants and the application process as part of their business. In turn applicants are able to check for the availability of jobs anytime enabling them search and apply for better career opportunities (Bhupendra & Swati, 2015). It is imperative that employers should be creative and innovative when posting jobs on social media platforms or on job portals. According to Kettley and Reilly (2003), e-recruitment has led to an improved internal customer management relationship such as the decentralization of many human resource operations responsible for the many aspects of recruitment processes given to staff at various levels or units.

Impact Of E-Recruitment On Organizational Performance

Organizational performance has been the focus of research as the way organizations implement their policies and accomplish their mission and vision are of concern. There is the increasing awareness between managers that competitive advantage arises from having appropriate systems of attracting and managing their human resources. While some organizations can be profitable with little or no effort of employees those committed to excellence, quality standards, creativity and innovation are dependent on employee commitments to improve their performance.

Organizational performance is the analysis of an organization's performance compared to its goals and objectives. Armstrong and Baron (2004) view organizational performance as a unified approach used in delivering constant achievements to organizations by improving the performance of employees and developing their capabilities as teams or individuals.

Literature has shown that recruitment enhances employees' abilities and advancement opportunities are linked with higher employee commitment, lower turnover, higher productivity and quality, better service performance, enhanced safety performance, and better financial performance. As the most cost efficient and quickest recruitment method, the laudable benefits of e-recruitment have impressively influenced organizational performance.

The study conducted by Barber (2006) revealed that access to a wider pool of applicants, promotion of an organization's reputation as well as her brand name were frequently mentioned by specialists who analyzed the strengths of their e-recruitment. Furthermore, it was believed that these strengths translated into greater organizational performance. Also, the study carried out by Pin et al., (2001) in Europe indicates recorded that 83% of 167 firms showed higher performance using the internet as a form of recruitment.

The increase in global markets and competition gives rise to innovation which is essential for economic success for any country, business or organization (Cameron 1996; Geroski & Machin 1993; Grilliches, 1990). A prerequisite for innovation is a combination of employees' knowledge, the capacity to manage the knowledge and make it available for use in an organization.

Productive assets of business compose of intellectual property rights and technical, commercial and organizational knowhow as these intangible assets play a major role in organizational competitiveness (Breese, 2001). Innovation and creativity begins with the identification of both internal and external knowledge source. That is to say those organizations should possess employees that can provide or develop know-how through recruitment (Albert 2004; Olfert 2003).

According to Soo et al (2002), the ability of an organization to absorb information and know-how increases innovation which in turn improves market and financial performance. The advent of the internet has given rise to more flexible organizational designs and collaborations. These collaborations (Malone & Laubacher, 1998) have drastically reduced employment durations while also matching people to job offers frequently. Organizational creativity is a tool used by organizations to fill gaps in production, marketing and administrative processes to create competitive advantage (Parjanen, 2012).

Productivity is one of the important aspects for an organization as it aids the survival or growth. Labor productivity is the labor cost of manpower in relation to the quantity of labor produced. It also measures an organization's efficiency in maximizing its human resource. Managers of private and public organization are now aware that their competitive advantage comes from an appropriate system of attracting and managing their human resources. Hence, the foundation of productivity at any level is a combination of high-performing and innovative employees.

Challenges Of E-Recruitment

Although the inception of e-recruitment has been successful, it currently faces a few challenges such as duplication of online resumes that causes the neglect of real candidates. Other challenges include but are not limited to lack of authenticity and accuracy of information provided by job seekers, the lack or absence of internet connection restricts candidates from accessing jobsites or portals and provision of incorrect information by less computer savvy applicants, high rate of illiteracy, lack of power supply and high poverty rate. Citing an example using computer science and computer engineering graduates who cannot build or navigate websites, a recruitment analyst named John Bassey traces a problem of e-recruitment to the Nigerian educational system. He highlights that most candidates have theoretical knowledge rather than practical knowledge

Test of hypothesis

Hypothesis 1:

H_0 : e-recruitment has no significant impact on organization creativity and innovations.

Table I: Descriptive Table

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
E-recruitment has no significant impact on organization creativity and innovations.	51	3.73	1.674	.234

Source: Authors computation using SPSS

From the above output there are 51 observations (N), the mean number of e-recruitment on organization creativity and innovations is 3.73 and the standard deviation of number is 1.674. The standard error of the mean (i.e. the standard deviation of the sampling distribution of means) is 0.234 ($1.674 / \text{square root of } 51 = 0.234$).

Table II: Summary of One Sample Test

	t	Df	Sig. (2-tailed)
E-recruitment has no significant impact on organization creativity and innovations.	11.625	50	.000

Source: Author's Computation using SPSS, 2018

Note: $\alpha = 0.05$ (5% level of sig)

From the t-table the second column of the output gives us the t-test value (11.625). The third column tells us that the t test has 50 degrees of freedom ($51 - 1 = 50$). The fourth column tells us the two-tailed significance (the 2-tailed p value).

Decision

If $t_{\text{calculated}} \leq t_{\text{observed}}$: reject null hypothesis, meaning there is insufficient evidence to conclude that the mean number of the test is statistically significant

$t_{\text{calculated}} \geq t_{\text{observed}}$: accept null hypothesis, meaning there is sufficient evidence to conclude that the mean number of the test is statistically significant.

From the result t_{observed} is 11.625 while $t_{\text{calculated}} = 2.423$. This means $t_{\text{calculated}}$ is less than t_{observed} ($2.423 < 11.625$); hence we reject the null hypothesis, meaning there is insufficient evidence to conclude that the mean number of the test is statistically significant.

Conclusion

Since $t_{\text{calculated}}$ is below t_{observed} we reject the null hypothesis and conclude e-recruitment has significant impact on organization creativity and innovation in Manufacturing Companies in Nigeria.

Conclusion

Effective recruitment practices in firms lead to hiring the best and capable hands, reduces high labor turnover, absenteeism and increases organizational performance such as labor productivity and organizational creativity (Richardson, 2011). Currently, e-recruitment is a key for organizations to maintain competitive efficiency levels and high productivity hence the availability of funds for recruitment and the continuous improvement in technology is highly recommended to increase organizational performance. It is on this note the following conclusions are drawn from this study:

- i. While e-recruitment positively impacts labor productivity, majority of employees of manufacturing companies are motivated by job security, good working environment and hours.
- ii. E-recruitment has a positive impact on organization's creativity and innovations as there is high usage of appropriate electronic tools and technology within the private organizations.
- iii. Despite the positive impact of recruitment on manufacturing companies, the cost of recruitment possesses a great challenge.

Recommendations

On the basis of the findings of the study, the following recommendations are made;

- i. E-recruitment should be frequently used by manufacturing companies during their recruitment processes to promote easiness and fastness while also reaching a larger audience.
- ii. Manufacturing companies should ensure the maintenance of their working environment, working hours and job securities to spur productivity from labor forces.
- iii. Cost of recruitment can be drastically reduced via the use of e-recruitment mechanisms as it is relatively cheap compared to traditional recruitment methods.
- iv. Manufacturing companies should be more creative and innovative with their products and/or services as a means of gearing employees to perform better.
- v. Government and other entities should organize trainings and workshops to educate citizens on the uses, benefits and advantages of using the internet.

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