

Determining the Effectiveness of the Sourcing Process

Vijaya Mani

Professor

SSN School of Management and Computer Applications

SSN College of Engineering,

Old Mahabalipuram Road, Kalavakkam,

Tamil Nadu, INDIA 603110

ABSTRACT: *The research attempts to evaluate the sourcing process at one of the leading IT Company in Chennai, Tamil Nadu, India and to suggest ways to improve its effectiveness.*

The population for the study consisted of the candidates who were scheduled for the interview process at the company. For the purpose of the research, the population was split into candidates who attended the interview and candidates who did not attend the interview. Sample was chosen through quota sampling and the data collection tools were questionnaire for those who attended the interview and a telephonic interview for those who did not attend the interview.

The analysis of the responses from the 300 respondents revealed that a good job description is the main reason for a career change. But they did not receive the job description for which they were being interviewed and faced confusions over their eligibility for the interview.

The results suggests that the organization should address the major organizational causes such as not receiving confirmatory emails, no proper intimation regarding the venue and eligibility concerns and no job description which constitute the major reason for not attending the interviews seriously in order to make the sourcing process more effective.

Key Words : Sourcing, Content analysis, Descriptive statistics, ANOVA, Job Description

Introduction and Background

Sourcing refers to the identification and uncovering

of candidates through proactive recruiting techniques. The actual act of sourcing for candidates is performed by either a recruiter (be it an internal corporate recruiter or agency recruiter) or a dedicated recruiter just focused on the sourcing function.

Sourcing of profiles for a defined position to be recruited is about trying to get suitable applicants for a job. Sources could be multiple recruitment agencies, job sites, employee referrals, internal job postings amongst others.

The organization can choose either to look internally within the organization or to seek candidates externally from a general labor pool. The decision can be made based on some of the following considerations:

Level of the position to be filled

Demand supply constraints if any

Time & Budget constraints

Location

Pay and Benefits

In addition to this, another recruiter might reach out to the names on the list to initiate a dialogue with them with the intention of pre-screening the candidate against the job requirements and gauging their interest level in hearing about new job opportunities. This activity is called "candidate profiling" or "candidate pre-screening". The actual act to source candidates can usually be split out into two clearly defined techniques. The two techniques are:

Primary sourcing/phone sourcing

This refers to uncovering of candidate information via a primary means of calling directly to uncover data on people, their role, title and responsibilities. It is done primarily through phone calls.

Secondary sourcing/Internet sourcing

This signifies the using of techniques (primarily the Internet) to identify candidates. It is done primarily through usage of forums, blogs, alumni groups, conference attendee lists, personal home pages, etc.

In some situations a team that "sources" candidates will perform both 'primary' and 'secondary' techniques to identify and profile candidates. At the sampled organization, there is a similar team responsible for creating a pool of candidates who are eligible and are of a sufficient quality to clear the selection process.

Tobias Keim (Johann Wolfgang Goethe University), Tim Weitzel (Otto Friedrich University), (2006) states that IT job market largely differs from the other labor markets. This study separated the job market into the job seekers and employers and did empirical research to understand their individual requirements. Using analysis on the basis of five major factors, the researchers have identified four kinds of behaviors exhibited by job seekers, namely, reclusive, success-oriented, value-oriented and social-oriented with an increased orientation towards using the worldwide web. The employers on the other hand, use two major approaches of attracting potential candidates and selecting the ideal ones. Their major similarity lies in

the fact that both prefer a hassle free, paperless and IT based communication regarding interviews. The internet is the best way to identify and communicate with the job seekers. Company portal job postings are a good place to start as it obliterates the possibility of encountering uninterested candidates. Furthermore, offering an in-depth electronic application form as the first step attracts only the genuinely interested candidate to apply. Andi Gray, (2007), says that screening resumes before scheduling an interview is the most important job of any recruiter. The recruiters need to establish a set of criteria that they are looking in the resumes with special focus on education, work experience and degree of professionalism to ensure that the right individual is attracted and thereby gets selected at the end of the process. While talking on the phone, attention should be paid on the cues the candidate gives rather than what he explicitly says to understand his current aspirations and if it can be filled by the role we are offering. Questions can be asked on his experience, reasons for job change and other significant accomplishments to do a preliminary screening before meeting the candidate face to face. A rightly matched candidate has a higher probability of attending the interview and clearing it. Max Messmer, (1999) argues that with the turn of this century, there is a fundamental shift in the workplace with candidates placing importance on aspects such as a healthy work life balance, learning opportunities, self empowerment, and corporate culture rather than on pay scale. These were the results of a survey on fortune 1000 executives. The companies have to be open to adaptation in order to tap this candidate pool. He gave an idea on the major aspects that candidates consider while looking for a new job. The key talent of any recruiter lies in understanding what a particular candidate lacks in his current job, and providing the same, to ensure his compliance with interview schedules. Max Messmer, (2004) published that Locating and attracting quality job candidates is one of the greatest challenges in the recruitment process. There are many sources to locate job candidates such as employee referrals, internal recruitment, classified ad, job fairs and recruiting firms. Candidates who come through employee referral programs are found to be very reliable. Internal recruitment is also an excellent source of recruitment. Classified ads provide solid exposure while job fairs help us to reach a niche crowd. Recruitment agencies when selected appropriately can also be a very good source. He gave an idea about the various recruitment sources and suggests that the first option exercised by a recruiter while sourcing should be the internal job referrals as they would by far be the best source as per research. The final area of interest to researchers has been on the recruitment sources used by organizations to reach potential applicants for positions vacant, such as referrals, newspaper advertisements, direct applications and employment agencies (Rynes, 1991; Taylor &

Schmidt, 1983). Potential applicants have been defined by Ryan, Horvath and Kriska (2005) as those individuals “who have some interest in the job and a reasonable possibility of applying” (pg. 235). The process of searching for and/or evaluating potential job opportunities within different organisations is undertaken by millions of people throughout the world every day of the year (Blau, 1994; Gatewood, Gowan, & Lautenschlager, 1993; Schwab, Rynes, & Aldag, 1987). Indeed, these people encompass individuals entering the labour force for the first time; individuals re-entering the labour force after a period of absence; individuals who have quit or been laid off by a previous employer; and those who are currently employed but seeking a new employer (Schwab et al., 1987).

The identification of these two job search phases is important as it acknowledges that preparatory job search may not automatically lead to active job search and that, for organisations, the latter phase is of more importance when developing strategies to retain current or attract new staff (Blau, 1994; Soelberg, 1967). The preparatory job search phase is a more difficult hypothesis to investigate as it is based on potential applicants who have not actively commenced identifying job options therefore creating problems for researchers in the identification of participants for the research studies (Ryan, Horvath, & Kriska, 2005). As a result, the majority of research has focused on the latter active job search phase, that of job search and choice, which is similar to Gatewood et al's (1993) job choice process concept. The popularity of this job search phase can be attributed to the more focused and identifiable subject pool available for research purposes.

The fundamental component of the active job search phase relates to the recruitment sources used by organisations to advertise their job vacancies and reach suitable

potential applicants. Job choice for an applicant begins with an individual's evaluation of a range of information about the job and the organisation, commencing

with information obtained from recruitment sources (Gatewood et al., 1993). There search on recruitment sources has evolved over time and now primarily attempts to ascertain the superiority of different sources (Breaugh et al., 2000; Rynes, 1991). The underlying theory of superiority in recruitment sources is that certain sources are more effective in reaching top quality candidates than others. Criteria for effectiveness have been predominantly post-hire in nature as researchers measure

turnover rates, period of tenure, job satisfaction, absenteeism, intention to quit, organisational commitment and job performance of new employees

(Rynes, 1991; Saks, 1994; Vecchio, 1995; Zottoli et al., 2000).

For the majority of studies on source superiority the findings support the hypothesis that sources deemed more informal in nature, such as job referrals, direct applications and re-hires, generate superior appointees to those applicants who were recruited via sources such as newspaper advertisements, employment agencies or campus recruiters (Barber, 1998; Breaugh, 1981; Decker & Cornelius, 1979; Hill, 1970). While it is acknowledged that post-hire outcomes are important criteria for evaluating source effectiveness, additional parameters which focus on the recruitment process prior to hire should also be investigated (Rafaeli, Hadomi, & Simons, 2005). This pre-hire focus, specifically in terms of applicant and organisational perceptions of source effectiveness, forms the basis of the present study. In addition to the pre-hire focus of the current study, the research problem being investigated has evolved from the increase in use of technology to perform business on a daily basis (Bush & Gilbert, 2002). One element of this technology is the introduction of the Internet into the recruitment process by organisations, commonly referred to as “e-recruitment”. The use of the Internet as a recruitment tool, and more specifically as a recruitment source for human resource practitioners, has occurred within a relatively short period of time but has become increasingly popular, primarily due to its reach in formerly untapped markets with minimal cost (Bingham, Ilg, & Davidson, 2002; Magrath, 2001; Smith et al., 2004). The question that arises out of the increasing reliance on and use of this source is whether e-recruitment is a worthwhile investment for organisations or should the focus of recruitment revert back to more traditional sources such as newspaper advertisements and/or advertising agencies? The costs associated with the recruitment of staff can be extensive and burdensome, and the choice of the recruitment source can have a direct impact on monetary and resource costs in terms of the effectiveness in reaching a manageable target market of quality candidates (Courtis, 1994). Therefore assessment of source effectiveness for organisations will have an impact on the success of the organisation’s ability to prosper and grow.

Research Methodology

The sourcing team is one of the primary sources of recruitment at the sampled organization. They are responsible for scheduling candidates for interview for all the recruitment drives conducted every month. More than half of the candidates scheduled by them for interview between Jan 2012 and March 2012, however, did not attend the interview.

The candidates are scheduled for interviews by the sourcing team, but only less than 50 % of the candidates actually attend the interview.

This study aims to understand the effectiveness of the sourcing team. The primary focus of the research is to identify the major reasons why candidates fail to

attend interviews and to suggest ways to increase the number of candidates who attend the interviews.

The research design adopted for the study is exploratory research. The population in this study consisted of the candidates lined up for interview by the sourcing team between January 2012 and July 2012. In order to facilitate the research, the population was divided into two viz.viz , The candidates who attended the interview and those who failed to attend it.

The breakup of the population is as follows:

Total population	: 2500
Attended	: 1000
Not attended	: 1500

The number of entities available in the defined population is the size of the population. The population size in this case is two thousand and five hundred. The sample consisted of 300 people out of which 100 respondents attended the interview and 200 candidates did not attend the interview.

Sampling method used for the study was quota sampling . The primary data was collected through questionnaire to analyze the satisfaction of the candidates with the interview scheduling process. There was also a telephonic interview conducted for the candidates who did not attend the interview to identify the major factors that prevented them from attending interviews.

The trackers such as weekend line up trackers (consisting of the data about the candidates lined up for interview every weekend) and drive trackers (consisting of information about the candidates who attended the interview for every weekend drive) were used to identify the population and the best recruitment source.

The data was analyzed using the statistical tools namely Content analysis and One Way ANOVA. Content analysis is a method for summarizing any form of content by counting various aspects of the content. This enables a more objective evaluation than comparing content based on the impressions of a listener. Content analysis, though it often analyses written words, is a quantitative method. The results of content analysis are numbers and percentages.

One-way ANOVA is a technique used to compare means of two or more samples (using the F distribution). Typically the one-way ANOVA is used to test for differences among at least three groups.

Data Analysis and Interpretation

The reliability of the questionnaire was estimated with a pilot study and the Cronbach’s alpha was calculated. Cronbach’s α is a commonly used as a measure of the internal consistency or reliability for a sample. The questionnaire was found to be reliable with a Cronbach’s alpha value of 0.699.

CONTENT ANALYSIS:

The content analysis of the data obtained through the telephonic interview, identified the following major factors and reasons for not attending interviews by the candidates.

Figure 1 a - Reasons for not attending interview – Complete

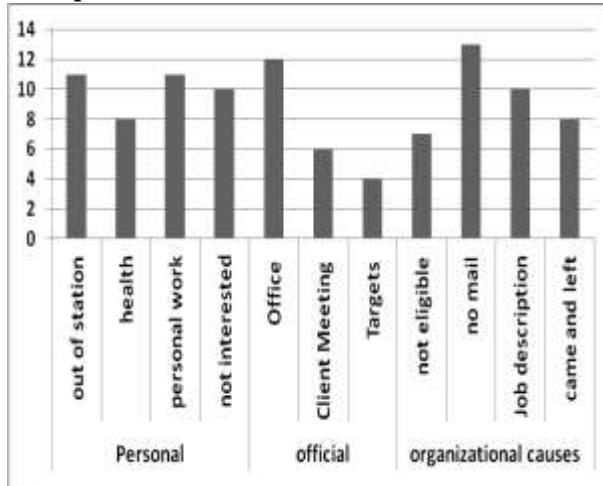
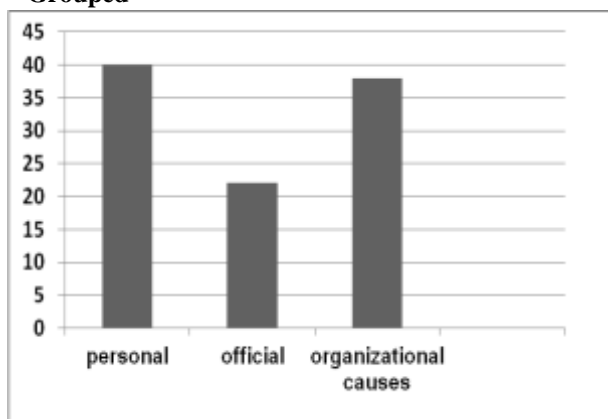


Figure 1 b Reasons for not attending interview – Grouped



PERSONAL CAUSES AND NOT ATTENDING INTERVIEW:

The following comments were given by the candidates as personal causes for not having attended the interview.

Table 1 Personal Causes and Not Attending Interview

COMMENTS	NUMBER	%
I had to leave out of station due to personal circumstances	11	27.5
I was not feeling well so I couldn't attend the interview	8	20
I had some personal work which I could not get out off	11	27.5
I am not interested in attending an interview right	10	25

now		
Total	40	100

ORGANIZATIONAL CAUSES AND NOT ATTENDING INTERVIEW

The following comments were given by the candidates as organizational causes for not having attended the interview.

Table 3 Organizational Causes and Not Attending Interview

COMMENTS	NUMBER	%
I did not receive any confirmatory mail regarding the interview so I did not come in.	13	34.21
The confirmatory mail specified a different relevant experience criteria which made me think that I was not eligible	7	18.42
I did not receive the job description through the email and did not want to waste time in the interview without knowing the job profile	10	26.32
I came to the venue but left without attending the interview because I was not given a proper response.	8	21.05
Total	38	100

OFFICIAL CAUSES AND NOT ATTENDING INTERVIEW

The following comments were given by the candidates as official causes for attending the interview.

Table 4 Official Causes for Not Attending Interview

COMMENTS	NUMBER	%
I had to attend office on the interview date	12	54.55
I had to attend an important client meeting at office	6	27.27
I had to complete targets by the end of the week so I couldn't come in for the interview	4	18.18
Total	22	100

RATIO ANALYSIS:

The secondary data was analyzed to identify the most consistent source of recruitment.

Table 5 Recruitment Sources- Ratio Analysis

		TECH	TECH YIELD RATIO (%)	SELECTION RATIO (%)
RFT	662	602	90.94	28.74
BYB	341	311	91.20	31.19
PV	743	641	86.30	24.02
DIRECT	211	171	81.05	20.50

Findings:

F1. 55.6% of the candidates are satisfied with the information received from recruiters before attending interview.

F2. 61.1% of the candidates were not informed of the job description.

F3. 64.4% of the candidates were not informed about the levels in the interview.

F4. 58.9% were not informed to come prepared for the technical round.

F5. 66.7% are not able to contact the same person who scheduled the interview in case of queries.

F6. 67.8% want a better response from the recruiters when they call regarding doubts in the interview process.

F7. Good reputation of the company is the first motivating factor to attend an interview followed by a challenging job description. A quick interview process or an accessible interview location does not make a difference to candidates who wants to attend an interview.

F8. The major reason why candidates look for a new job is career growth with a good job description.

F9. NAUKRI is the most used job portal

From content analysis:

F10. Among the people who did not attend the interview 38% claim that organizational causes such as not receiving a mail, unclear data on the mail, contradictions about eligibility and poor response at the interview location are the major factors.

F11. 34.21% of the candidates, who specified organizational causes, did not attend interview because they did not get any confirmatory emails and 26.32 % did not attend interview because of not receiving a job description.

F12. Among the 25 who attended the interview but found data conflicts between what was informed over the phone and what was sent over the mail, 64% feel that they did not receive the job description and 36% was confused with the eligibility conditions.

From ratio analysis:

F13. Employee referral programs have the most successful selection ratio of 31.19% and a comparatively better yield ratio of 91.20%.

From One Way ANOVA:

F14. Gender does not have any significant influence on the interview attending factors.

Conclusion and Recommendations

The project was aimed at evaluating the sourcing process and to suggest ways to improve its effectiveness. The population for the study consisted of the candidates who were scheduled for the interview process.. For the purpose of research, the population was split into those who attended the interview and those who did not. Sample was chosen through quota sampling and the data collection tools were questionnaire and telephonic survey.

Based on the findings, it was suggested that the Candidates should be informed about their prospective JD (Job Description), while scheduling interviews in order to motivate them to attend the interview. Through the observation of the calls made, it was indeed found that the job description was not informed to the candidates. They should be encouraged to come prepared for the interview and also informed of the levels so that they have better prospects of getting selected. The candidates felt that they were not adequately prepared for the technical round of the interview. They wanted a second chance for the interview after a week but it was not possible as per the company policy. Candidates should be provided a personal number/email where they can reach their respective recruiters in case they have any queries. This will enhance their satisfaction with the response from recruiters. The major organizational causes such as not receiving confirmatory emails, no proper response in the venue, eligibility concerns and no job description which constitute 38% of why candidates fail to attend the interviews should be addressed seriously.

a. To avoid this, the email has to be formatted individually for each candidate because each individual has different proprieties, rather than forwarding the same mail to all. Confirmation mails regarding interviews should be sent without fail.

b. As per observation, it was found that the mails forwarded to the candidates follow a generalized format with minimum adjustments. There are some conflicts regarding the total experience and relevant experience with candidates being informed one thing over the phone and another through mail. This if corrected can greatly increase the turn out ratio.

Employee referral program has the best selection percentage and a good yield ratio. The recruiters can utilize this as the primary source of recruitment while lining up candidates.

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