

## A CRITICAL STUDY ON RECRUITMENT PROCESS FOLLOWED BY RELIANCE

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Nishant Kumar Swami\*

### ABSTRACT

*In the past two decades, the manner in which organizations in the India managed their human resources has changed dramatically (Braun and Warner, 2002). As the economy grows and moves into higher value-added work, strategic recruitment and selection are vital to an organization's success. This dissertation seeks to examine the recruitment and selection strategy approaches in Reliance. This research is based on well-known company Reliance that has many subsidiaries. The Western recruitment and selection practices are the traditional selection model in India. This dissertation portrays that the role of the HR of the participating companies is supportive and administrative but not strategic. A combination of recruitment channels are used when attracting talent. Although organizations in India use a combination of recruitment methods, they are far more reliant on external online recruitment agencies. The recruitment and selection process is more bureaucratic and less dependent on personal relationships. More organizations tend to adopt sophisticated selection methods. Management style and organization culture play an important role in the recruitment and selection practice in India.*

**KEYWORDS:** *Recruitment Methods, Strategic Recruitment, Value-added Work, Human Resources.*

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### Introduction

In the past two decades, the way organizations in the India managed their human resources has changed dramatically (Braun and Warner, 2002). Looking back in time, Human Resource Management (HRM) function was not considered to be important and organizations paid little attention when recruiting workers for their business. In recruitment and selection, educational backgrounds seemed to be a very good predictor of success for job applicants. For entry level jobs, workers were selected based more on the university they graduated from than on the actual skills they possessed. Job interviews were usually omitted in India and organizations offered jobs to university graduates without seeing them in person (Huo and Glinow, 1995). Majority of employees were recruited through personal or family contacts. There has been a dramatic change in recruitment and selection practice as the economy grows and moves into higher value-added work.

### Significance of the Research

History at various Schemes has shown that many applicants who scored high in the recruitment and selection processes tend to fail in selling, whereas many of those who scored low tend to do well. So far, selection techniques have not been a reliable indicator of future performance in the organisation. Senior sales managers are concerned, firstly because the selection processes cost the company a lot of money and secondly, the rate of labour turnover was still high even after the introduction of new assessment processes. It is therefore evident that the outcomes of this research could assist senior managers in either developing a new strategy or adjusting the current one.

### Rationale of the Study

Recruitment can be described as a process of attracting sufficient job applicants who have the necessary potential and competencies to fit the job requirements. The main purpose of recruitment is to get competent employees who will assist the organisation in achieving its objectives. The recruitment, selection and assessment process begins when a vacancy becomes available in the organisation or

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\* Assistant Professor, Department of business administration, University of Rajasthan, Jaipur, Rajasthan, India.

when new posts have been identified through manpower planning. The purpose of a policy is to guide the recruitment and selection process. A policy also has to take into account the many external and internal factors that affect the recruitment processes. These factors are discussed in the next section. The recruitment process is very costly and as a result, small companies often avoid expensive stages in the process. These companies might choose to advertise in the local radio or print media rather than advertising on a national basis. Larger organisations prepare special budgets for recruitment purposes. These budgets are based on forecasts of labour turnover and personnel requirements.

#### **Objectives of the Study**

- To understand the organizational climate in Reliance
- To identify critical study of recruitment process based on the import data from employees of Reliance.
- To know about the major problems in the recruitment process.
- To examining of recruitment and selection process.
- To study external and internal factors which has impact on recruitment process

#### **Hypothesis**

**H<sub>0</sub>:** There is a significant relationship between the organizational climate in Reliance and its Recruitment Process.

**H<sub>1</sub>:** There is no significant relationship between the organizational climate in Reliance and its Recruitment Process.

#### **Literature Review**

To examine the different approaches to HR strategy in terms of recruitment and selection in India, this chapter will review set of generic issues of recruitment and selection, and then key questions raised in the western-orientated literature will be identified. This chapter will then review the recruitment and selection practices in the Indian context. Following the discussion of literature around Indian recruitment and selection, a further set of research questions regarding the important of family relations, selection criteria, and selection fairness will be identified.

#### **Research Methodology**

The preceding chapter linked the general Western recruitment and selection practices to the practices of recruitment and selection in Reliance and highlighted the research gap between the international and Indian human resource management. To examine the HR strategic recruitment and selection approaches in reliance, qualitative methodologies involving qualitative case studies and interviews with respondents from companies in India are employed. It is necessary to indicate that the selected organizations are not only exclusive to Indian firms (must be medium to large sized), but also foreign direct investment firms in India.

#### **Research Framework**

To build a structure to the research, key research questions were drawn and five the main themes associated with recruitment and selection were defined. These questions are:

- What is the HR function in recruitment and selection in Reliance?
- What is the recruitment methods applied in Reliance?
- What are the selection methods applied Reliance?
- How the problems of hiring through family relations can be tackled?
- What are the selection criteria?

#### **The Case Study Protocol**

The protocol is a major way to increase the reliability of case study research (Yin, 2003). The purpose of the case study protocol is to guide the researcher in carrying out the data collection. The main crafting instruments in this case study are face to face interviews and telephone interviews. Other than interviews, case studies in this dissertation are supported by company websites and the Indian national press in order to provide more evidence and information.

Data collection procedures: 1) Contacted friends and subsidiaries of Reliance (MNCs, state and private owned) in India for help, an electronic covering letter with basic details of the study aim was provided with the interviewees requirement; 2) obtained the respondent details, and this was followed by a phone call in which the researcher explained her aims in more depth and answer any queries; 3) a

thank you letter was send to suitable respondents and then a time and date for the interview was confirmed; 4) prepared for interviews and started from searching the company website, and conducted interviews with the listed respondents; 5) contacted respondents for further enquiries if necessary; 6) Sent another thank you letter to all participants. The researcher utilized both personal networking and friendship circles when seeking participants who are either working at HR departments or those who have recruiting experience in Reliance.

Serial Number	Department	Position	Sector
1	Finance	MBA	Banking
2	HR	MBA	Manufacturing
3	Sales	MBA	Banking
4	HR	Senior Officer	Insurance
5	IT	Mid-level Manager	Business Service
6	Auditing	Senior Officer	Professional service
7	IT	Mid-level Manager	Automobile
8	Marketing	MBA	Home appliance
9	HR	Senior Officer	Professional service
10	Development	MBA	Government
11	HR	Manager	Real Estate
12	Customer Service	MT	Logistic
13	HR	Manager	Refined Petroleum Gas
14	HR	Manager	Manufacturing
15	HR	Senior Officer	Advertising

### Collecting and Managing the Data

The research data was collected in three ways. First, the data was socially constructed with the interviewer as participant. This method allows interviews to be conducted in different formats. The use of probes to follow up points of interest and the interviewer's distinct characteristics will influence the research process (King, 2004). As this kind of interview is a two way communication process, the context of the interview is seen as an interaction constructed. The interviewer plays an important role in collecting the evidence. In addition, the case study evidence that was obtained from the interviews was recorded and named chronologically with a serial number. This allows the interviewer to concentrate on questioning and listening; allowing direct quotes to be used. It can also trace the recorded interview later. However, there are disadvantages of doing so and sometimes it may outweigh the advantages. This may inhibit some interviewee responses and reduce reliability and affect the relationship between interviewee and interviewer (Saunders, et al, 2003).

### Analysis of the Data

The case study data was organized around key themes and central questions. Although transcription conventions were designed to minimize interpretation, the researcher decided not to convert and translate each interview into transcription due to the time restrictions. This does not necessarily mean that analyzing the research evidence is not as good as analyzing transcripts. Instead, the researcher spent a large amount of time to listen and analyze the recorded interview and then summaries each interview. Next, the researcher examined the case study evidence to see how far they fit or failed to fit the expected categories. This was done by putting the evidence into groups, codes and then searching for patterns of similarity to assist in examining the evidence. Key themes were HR strategy in recruitment and selection, methods of recruitment, methods of selection and the use of family relations in recruitment and selection. The researcher further examined and interpreted any unexpected data. The categories may need to be refined if it leads to further interesting results. Furthermore, the third part of the data was collected through the supplementary exclusive interviews as mentioned earlier.

### Research Findings and Analysis

**H<sub>0</sub>:** There is a significant relationship between the organizational climate in Reliance and its Recruitment Process.

**H<sub>1</sub>:** There is no significant relationship between the organizational climate in Reliance and its Recruitment Process.

Most multinational subsidiaries have exercised horizontal and vertical HRM. The head office is generally responsible for the vertical HRM (e.g. purchase assessment tests, software, and established policies). The division head is in charge of the horizontal HRM within the organization. Some head office worked closely with their divisions. The same authority is given to each HR department across the country, except for the SN2 TW Manufacturing. In addition, the head office based in other countries was not responsible for the manufacturing factory in India. In most of the companies, except for SN12, the role of the HR was supportive and administrative, but nonstrategic. There are two HR teams in the SN12 organization. One for HR administration, another is for developing the HR strategies and policies. The latter HR team is called Core of Executive. It launched the Evidence Based Interview to assess applicants in 2005. The Core of Executive HR Team also language workshops to train HR officers and line managers

Recruitment and selection has become part of the organization plan. The HR function supported the organization to meet corporate strategies (e.g., launching of new/additional product lines, supporting the new investments). Organizations like SN11 and SN15, have a measurements to predict the demand of annual and semi-annual staff. However, some companies (SN2) did not predict the staff demand in advance. Majority of interviewees reported that their company usually made the job analysis to determine the job description and person specification in advance. This was usually done by supervisors or managers in the functional departments. The HR manager from the SN13 Manufacturing reported that they had just finalized the standard operating procedures for recruitment and selection. From my secondary research findings, the organizational design/ work design/ job design and employee specification, in large blue-chip companies like IBM, were planned by the specialist team by trials ([www.IndiaHR.com](http://www.IndiaHR.com)). The HR department, functional department and top management team were involved and responsible for the recruitment activities. None of the interviewees reported a board of recruitment and selection to review new staff employment. The majority of the interviewees mentioned their organization conducted a minimum of three interviews before the candidate was hired. According to the research findings, the senior management such as department head or general manager usually made the final decision regarding who to hire. In selection, some company have started using the hiring for person-organization fit to recruit suitable staff that match well into the corporation. This kind of recruitment approach has changed the traditional selection practice in India. It can help organizations to build and strengthen the organizational culture. It can also assist corporations to retain valued staff. Nonetheless, the researcher recognized that not every employee has the same identify and shares the same beliefs of the organization. Furthermore, the research also found that some companies fail to identify their corporate culture or core values. In most of the cases, except for SN6 American PS, organizations fit the job to the person, but do not fit the person to the job. The HR officer's explanation of this issue was: the corporation did not set a specific job design, as employees work for different projects. Beside this, one organization stated it fit the job to the person temporarily for their career development.

### Result

From the findings it is clear that there is a relationship between organizational climate and recruitment process at Reliance. Thus the hypothesis Ho (There is a significant relationship between the organizational climate in Reliance and its Recruitment Process) stands true.

### Conclusion and Recommendations

As the economy grows and moves into higher value-added work, strategic recruitment and selection are vital to a company's success in India (Covey, 2000). This dissertation has shown the role of HR as being supportive and administrative but not strategic. Reliance should do more strategic, proactive recruitment and selection. This is because a successful recruitment strategy will help to promote a more positive company image in the market place. Well-planned recruitment strategies will enable a conglomerate's Indian business to function smoothly. It will also facilitate managers to employ talent who fit the characteristics of an organization and the management style. To recruit in a more strategic manner and make wise selection decisions, the top management team needs to create short-and long-term strategic plans (demands of staff) for the organizations.

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