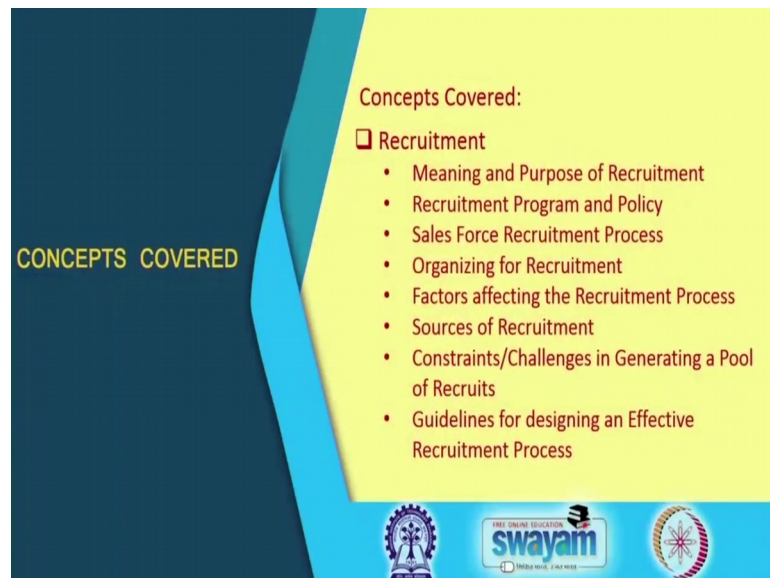


Sales and Distribution Management
Prof. Sangeeta Sahney
Vinod Gupta School of Management
Indian Institute of Technology, Kharagpur

Lecture - 23
Sales Force Management Recruitment

[FL]. We will now be starting with our next lecture on Sales Force Management and the topic we shall be discussing will be Recruitment. This is lecture 23 which is the 3rd lecture in the 5th module of our course on Sales and Distribution Management. Now what are the different themes or the different sub concepts that we will be talking of.

(Refer Slide Time: 00:39)



The slide features a dark blue background on the left with the text 'CONCEPTS COVERED' in yellow. The right side has a light yellow background with a list of concepts. At the bottom, there are logos for IIT Kharagpur, SWAYAM, and another circular logo.

CONCEPTS COVERED

Concepts Covered:

- **Recruitment**
 - Meaning and Purpose of Recruitment
 - Recruitment Program and Policy
 - Sales Force Recruitment Process
 - Organizing for Recruitment
 - Factors affecting the Recruitment Process
 - Sources of Recruitment
 - Constraints/Challenges in Generating a Pool of Recruits
 - Guidelines for designing an Effective Recruitment Process

Logos at the bottom: IIT Kharagpur, SWAYAM (Free Online Education), and a circular logo with a gear and a person.

We will be studying the meaning and purpose of recruitment; the recruitment program and policy, sales force recruitment process, organizing for recruitment, factors affecting the recruitment process, sources of recruitment, the constraints and challenges in generating a pool of recruits and the guidelines for designing an effective recruitment process. So, these are the different sub concepts or the sub themes which we shall be discussing in this particular topic called sales force recruitment. We will start with the meaning and purpose and then we will move on to how we should be creating or defective sales force in a recruitment process.

(Refer Slide Time: 01:25)



Recruitment

- After job analysis, the next task in sales force management pertains to hiring the right kind and number of people to fill up the jobs
- Hiring combines recruitment and selection

Logos at the bottom: UGC, swayam (Free Online Education), and a circular emblem.

So, let us first talk little bit about recruitment. Now after a job analysis is done, the next task in sales force management pertains to hiring the right kind and the right number of people to fill up the sales jobs. So, this hiring here combines both you know the recruitment and selection.

(Refer Slide Time: 01:48)



Meaning of Recruitment

- Recruitment is a process of attracting prospective employees and encouraging them to apply for jobs in an organization
- It caters to existing and anticipated job openings
- The basis of the process lies in a job analysis, and its outcomes, job description and job specification

Video inset of a woman in a red sari. Text "(Contd.)" is visible in the bottom right corner.

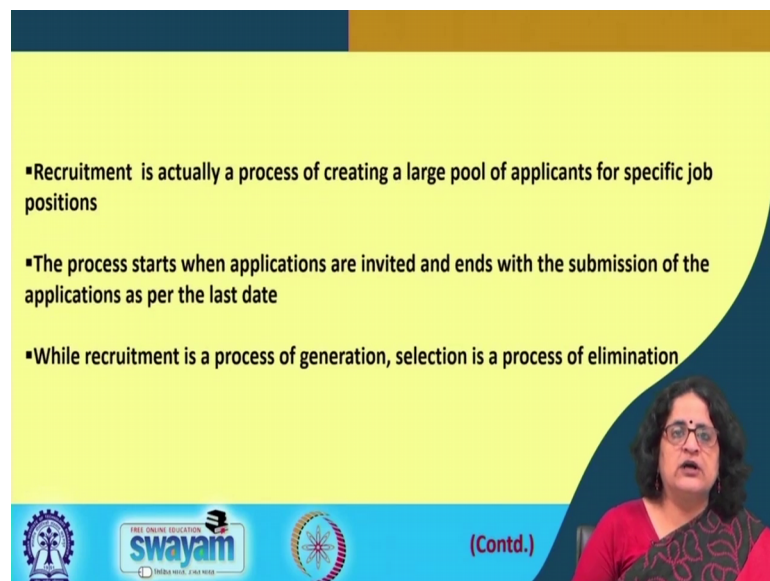
Logos at the bottom: UGC, swayam (Free Online Education), and a circular emblem.

Now, what is recruitment? A recruitment is the process of attracting prospective employees and encouraging them to apply for jobs in an organization. Now hiring as a process caters to both existing and anticipated job openings. Existing job openings are

happen when people resign and leave or they superannuate. An anticipated job openings happen when you know it is known that certain people in a particular level are going to be promoted and because they would be promoted vacancy for their position would automatically be created.

So, recruit as a process hiring caters to both existing and anticipated job openings. Anticipated job openings also happen when companies expand and they want to go in for you know growth or they acquire smaller companies or smaller firms and they need more manpower. So, in those cases you know when it is a planned affair it becomes more of a anticipated. The basics of the process of recruitment lies in job analysis and the two outcomes which is job descriptions and job specification. We have spoken about job description and job pacification in the previous lecture.

(Refer Slide Time: 03:08)



- Recruitment is actually a process of creating a large pool of applicants for specific job positions
- The process starts when applications are invited and ends with the submission of the applications as per the last date
- While recruitment is a process of generation, selection is a process of elimination

(Contd.)

Now, when we talk of recruitment, is actually a process of creating a large pool of applicants for specific job positions. Once this large pool has been created, we start with the selection process which is selecting the best out of those applicants who had applied for a particular position. So, while recruitment is a process of generation, selection is a process of elimination. And the process of recruitment starts when applications are invited and it ends with the submission of the applications as per the last date.

So, a recruitment is basically trying to create a large pool of applicants, encouraging people to apply for positions in the organization and it is a process which will start when

applications are invited it ends when the with the last date of applications or with the deadline and what is the ultimate outcome of this is a large pool of recruits and from which the right kind of person is selected or the best person is selected.

So, the selection takes place after recruitment is done or after the applications have been generated and that is why we say that while recruitment is a process of generation of applications, selection is the process of elimination of candidates who are not as good as others and it is actually the selection of the best candidate. So, selection is a process of elimination of undesirable applicants or unworthy applicants, it is a selection or it is selecting the best possible a person or the best person for a particular position. So, while recruitment is a process of generation selection is a process of elimination.

(Refer Slide Time: 04:54)



- In case of sales management, recruitment involves attracting appropriate people to apply for a sales job or a sales position in an organization
- It is a positive process that aims at generating a large pool of applicants from where to choose from. Such applicants are those who meet the criteria as laid down in the sales job specification
- The process begins when applications are invited, and end with the deadline or the last date of receipt of applications
- A well formulated recruitment process should ensure the following:
 - Prospective employees are provided with information about the company, the job openings, the role and responsibility that the job position entails, the skills and qualifications required etc.
 - A pool of candidates is generated quickly and with cost effectiveness

Now, in case of sales function, recruitment involves attracting appropriate people to apply for sales job or for a sales a position in the organization. It is a positive process that aims are generating a large pool of applicants from where to choose from. Now such applicants will be those who will meet the criteria as laid down in the sales job specification. The sales job specification clearly lays down the knowledge, the skills, the abilities, the qualities, the physical attributes which are essential for a job to be performed satisfactorily.

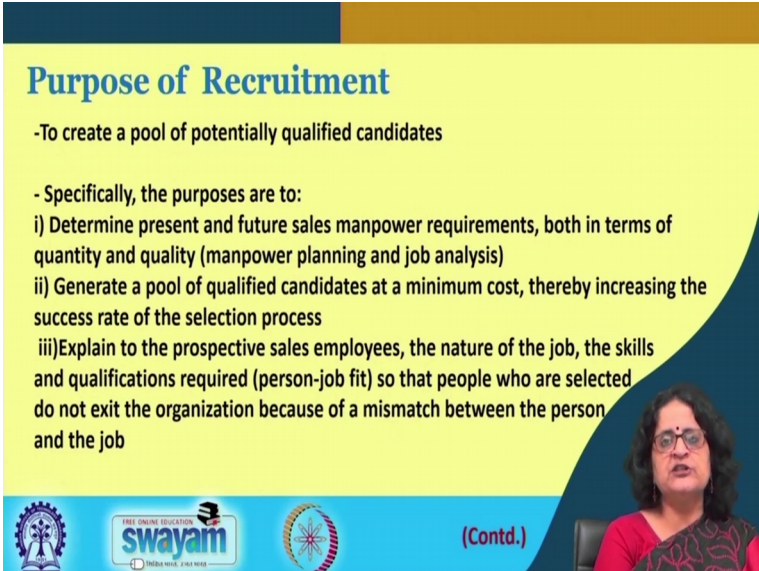
And so, once you know the recruit those applications are generated or once you know suitable applicants have once the applicants have applied for a particular position, you

know the selection takes you know selection process comes into being and. So, we say that while recruitment is a process of generation, selection is a process of elimination. So, recruitment is a positive process that aims are generating a large pool of applicants from where to choose from, such applicants are those who will meet the criteria as laid down in the sales job specification.

Now the process begins when applications are invited and it ends with the deadline or the last date of receipt of applications, and a well formulated recruitment process should ensure that prospective employees are provided with information about the company, about the job opening, about the role responsibility, that the position entails the skills and qualifications required for the job holder and also its very important that you have a well formulated recruitment process so that a pool of candidates is generated quickly and with cost effectiveness.

So, it is essential that companies formulate a recruitment process very well and they clearly define what the job is about, what the skills are required and this information must reach the applicants so, that a pool is generated quickly and with cost effectiveness.

(Refer Slide Time: 06:57)



Purpose of Recruitment

- To create a pool of potentially qualified candidates
- Specifically, the purposes are to:
 - Determine present and future sales manpower requirements, both in terms of quantity and quality (manpower planning and job analysis)
 - Generate a pool of qualified candidates at a minimum cost, thereby increasing the success rate of the selection process
 - Explain to the prospective sales employees, the nature of the job, the skills and qualifications required (person-job fit) so that people who are selected do not exit the organization because of a mismatch between the person and the job

(Contd.)

The slide features a yellow background with a blue and orange header. At the bottom, there are logos for 'swayam' (Free Online Education) and 'Indira Awaaz Yojana', along with a small video inset of a woman in a red and black patterned sari.

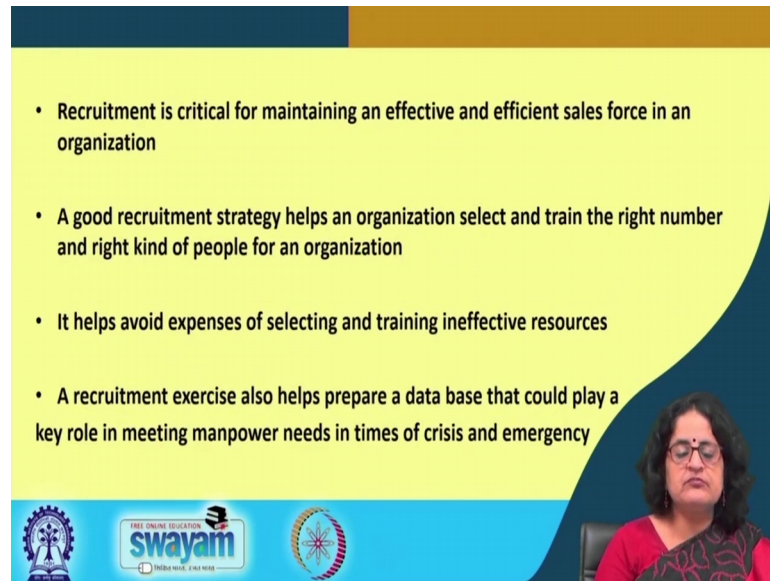
Now, what is the purpose of recruitment? Specifically it is one to determine the present and future sales manpower requirements both in terms of quantity and quality, and that is where manpower planning and job analysis comes into picture. Also the second you know purpose is to generate a pool of qualified candidates at a minimum cost, thereby

increasing the success rate of the selection process. Success rate of a selection process you know would be possible only if the right kind of people have applied for position, and the right kind of person is one who would be able to perform the job role perfectly because of the kind of knowledge skills and abilities that he possesses.

Another purpose of recruitment here is to explain to the prospective sales employee the nature of the job, the skills and qualifications required so, that there is a person job fit, and the person was selected for the job does not leave the organization because of a mismatch between him and the job requirement or his skills and abilities and knowledge levels as and the job requirements. So, i: to determine present and future sales manpower requirements; ii: to generate a pool of qualified candidates at a minimum cost and iii: to explain to the prospective candidates the nature of the job the skills and qualifications required so, that you know people who apply are very well aware of the fact that you know their knowledge skills abilities are something which would match with the requirements of the job and if it is done, then it is a best fit is a good fit and chances of the employee leaving the organization reduce.

Otherwise if people are not informed about the kind of role and responsibility and the skills and ability is required, in those cases anybody and everybody would apply the success rate of the selection process would get diluted and the person who selected may soon or later leave the organization because he or she may feel that he or he or she is not a good fit for the job.

(Refer Slide Time: 09:06)



- Recruitment is critical for maintaining an effective and efficient sales force in an organization
- A good recruitment strategy helps an organization select and train the right number and right kind of people for an organization
- It helps avoid expenses of selecting and training ineffective resources
- A recruitment exercise also helps prepare a data base that could play a key role in meeting manpower needs in times of crisis and emergency

So, recruitment is very critical for maintaining an efficient and effective sales force in the organization and a good recruitment strategy would help an organization select the right kind of person and the right number of person at the right time, it would also help them train the right number and kind of people for the organization. So, recruitment will ensure that the right kind of people apply and so that the right kind of persons can be ultimately selected; a good recruitment strategy would also help avoid expenses of selecting and training ineffective resources because once you know care is taken to specify clearly the requirements as well as a knowledge skills and abilities, it is only people who have those skills and abilities who will apply.

And when the screening of applications is done people who do not possess these knowledge skills and abilities would be eliminated. So, recruitment also helps ensure that the right kind of people are applying; such people are those who would not only be good for the organization, but they would also stay with the organization, also the kind of training and development expenses to be incurred on them would reduce if they possess the right kind of knowledge skills and abilities.

So, recruitment also helps avoid expenses of selecting and training in effective resources. A recruitment exercise will also prepare a database that could play a key role in meeting manpower requirements in case of emergency and need. Now not all applicants

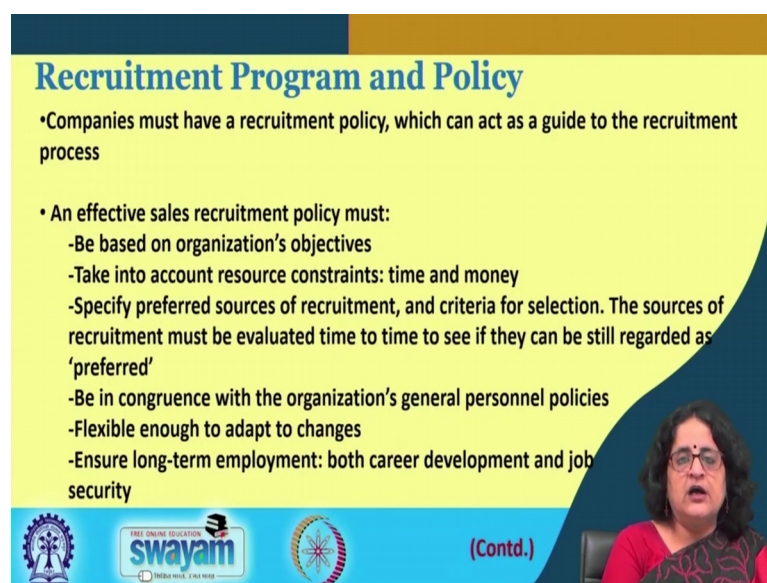
who apply are actually they qualify you know to be taken forward in the selection process.

And even those who qualify in the first few stages of the selection process, may not finally, get selected. So, those who actually qualify to be selected are remain in the database, their names are always there and in case the company falls short of manpower, it can always resort to its you know the pool of applicants pool of qualified applicants and who due to some reason or the other would could not get selected.

Because either they did not perform well in the written test or in the interview or in the aptitude test or you know they failed in the reference test or they did there was some shortfall or some shortcoming because of which they did not get selected. But yet they were you know satisfactory or good or average. So, these people are somebody who can be considered although they did not could not make to the final round and could not finally, be selected yet they are those who have the potential or who could be considered in case of a shortage of supply.

So, a recruitment exercise can also help prepare a database, that could play a very key role in meeting manpower needs in times of emergency; when suddenly the company falls short or is there is a shortfall or fall short of supply of say, you know a fall short of sales person in the organization.

(Refer Slide Time: 12:12)



Recruitment Program and Policy

- Companies must have a recruitment policy, which can act as a guide to the recruitment process
- An effective sales recruitment policy must:
 - Be based on organization's objectives
 - Take into account resource constraints: time and money
 - Specify preferred sources of recruitment, and criteria for selection. The sources of recruitment must be evaluated time to time to see if they can be still regarded as 'preferred'
 - Be in congruence with the organization's general personnel policies
 - Flexible enough to adapt to changes
 - Ensure long-term employment: both career development and job security

(Contd.)

swayam
FREE ONLINE EDUCATION
MEDIA NEWS, LEARN MORE

Now companies must actually have a recruitment program on a recruitment policy, and this will be something which will be very useful to guide, to act as a guide to the recruitment process. So, companies must have a recruitment program and a policy which will guide them in the process and an effective sales recruitment policy must have certain you know features, 1 it should be based on the organizations objectives. What are the objectives? Is it growth, is it expansion is it just you know bare survival sustenance? It should also take into account you know the resource constraints of the organization in terms of time, money it should specify the preferred source of recruitment and the criteria for selection.

Now, shortly we shall be discussing the sources of recruitment and you know which could either be internal to the company or external and it is very important that the recruitment policy specified what the preferred sources. Now the source of recruitment must be evaluated from time to time to ensure that if some particular source can still be a preferred source. So, because as circumstances change as times change, you know the particular source may prove to be not very fruitful in getting in obtaining the right kind of person. So, another source become maybe more useful may have over a period of time become more fruitful.

So, the source of recruitment must be evaluated time to time to see if they can still be regarded as preferred. Also it should ensure that it is in congruence with the organizations, general HR policies or personal policies. So, that there is not much of a you know difference between the kind of rules, regulations, policies procedures which are meant for you know the marketing team and the sales team reserves the others in the company. Because if there is a big difference or if there is a big gap then it could lead to you know feelings of antagonism between employees and the organization.

So, it is very important that the recruitment policy is something which is in congruence with the organizations general personal policies. We have discussed that there would be some changes with respect to performance appraisals and compensation and reward systems for the salespeople, but above that it is very important that for most you know policies most HR policies are similar for employees across the organization irrespective of whether they are in the sales function or their other functions.

Also recruitment policy must be flexible to change keeping in mind environmental influences, keeping in mind you know the industry you know scenario with its you know the shortfall or you know excess of manpower or the kind of manpower or is it with respect to you know other you know the competition in the environment or with socio economic political legal considerations a changes etc.

So, this is something which the recruitment program and poly the policy must be flexible to change and it should ensure long term employment for the employees both in terms of career development and job security. So, its very essential that companies have a recruitment policy and which it should be something which is very effective you know so that the interests of the company and the employees can be taken into account.

(Refer Slide Time: 15:47)

Benefits of a Recruitment Program and Policy

- A recruitment program and policy helps attract the right kind and right number of people, at the right time
- It also clarifies the recruitment objectives, as well as the methods and procedures to be followed
- It ensures effective hiring of the sales force in the organization

(Contd.)

The slide features a yellow background with a dark blue curved border on the right side. At the bottom, there is a blue banner containing the logos of Swayam (Free Online Education), a circular logo, and the text '(Contd.)'. A small video feed of a woman with glasses is visible in the bottom right corner of the slide.

So, the benefits of a recruitment program and policy is that it would help attract the right kind and the right number of people at the right time, it will also clarify the recruitment objectives as well as the methods and procedures to be followed during recruitment and will ensure that if the hiring in the sales hiring of sales force in the organization can be effective.

(Refer Slide Time: 16:10)



Sales Force Recruitment Process

- The process of recruitment involves:
 - Identifying the right number of people required by a company, and with what skills and qualifications
 - Manpower planning (number of people, what level, when etc.)
 - Job analysis (job description, job specification)
 - Both together help assess present and future requirements; also help reduce the probability of attrition
 - Deciding on the sources from which such a requirement can be met
 - This involves identifying and evaluating sources which can be internal or external from where sales personnel with good potential to sell can be obtained
 - Important determinants: nature of the product, budget allocated for recruitment, company policy on promotions from within, sources of successful recruits in the past
 - Informing the people about the job openings, including pay and allowances and location
 - Inducing people to apply for jobs which in turn would create a large pool of applicants from where best selections can be made

The slide features a yellow background with a blue header and footer. The footer contains logos for Swamyam (Free Online Education) and a circular logo with a star.

Now, let us discuss the sales force recruitment process. Now the process for a sales force recruitment is an elaborate one, and involves one identifying the right number of people required by company and with what skills and qualifications; now again manpower planning would help determine the number of people, at what level, when you know. So, so if manpower planning will be able to give us information in to the number of people required at different levels, at different periods in you know of time and again job analysis through the two outcomes of job description and job specification will also tell us the right kind of people to be required for the kind of job where there is a you know vacancy or a job opening.

So, both manpower planning and job analysis together will help assess present and future requirements, they will also help reduce the probability of attrition you know because in case this is not done people may join, but sooner or later leave the organization.

The second stage is to decide on the sources from which such a requirement you know can be met, and this would involve identifying and evaluating the different sources which can either be internal or external and you know whether a company opts for an internal source of recruitment or external source of recruitment, it depends upon a depends upon several factors like the nature of the product, the budget allocated for accrual recruitment exercise, company policy on promotions from within source of successful recruits in the past etcetera.

The third step is to inform the people about the job openings including the pay and allowances and the location and the duties and responsibilities that the job would entail and fourth is to induce people to apply for jobs, which in turn would lead to a large pool of applicants from which the best selections can be made. So, this is the sales force recruitment process, where we first start with identifying the right number of people required by the company and with what skills and qualifications.

Two deciding on the sources from which such job requirements would be met; three inform the people about the job openings the nature and role the responsibilities the pay and allowances and the location; and fourth induce people to apply for jobs in the organization, which would help create a large pool of applicants from which selections can be made.

(Refer Slide Time: 18:48)



Organizing for Recruitment

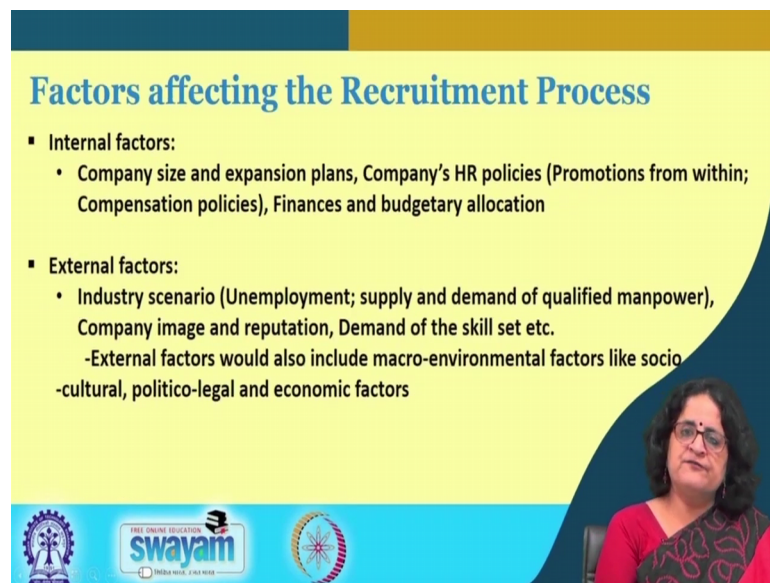
- Organization for recruitment in companies varies with respect to company size, departmental structure and top management
- Large companies are in a position to afford a separate division for recruitment and selection but in case of small companies, this company is assigned to sales managers
- The process could be centralized or decentralized, and would depend upon the policies formulated by the top management
- Generally speaking:
 - HR department handles certain aspects of recruitment and the preliminary screening of applications
 - Marketing and sales department handles further screening (if required) and makes the hiring decisions.

Logos at the bottom: UGC, swayam (Free Online Education), and another circular logo.

The next thing that is important is organizing for recruitment; now organizations for recruitment in companies varies with respect to the company size, the departmental structure and the top management. Large companies are in a position to have a separate division for recruitment and selection, but in small companies this job is designed to sales managers. The process again could be centralized or decentralized. Centralized generally happens where you know top management would like to get involved in the process, decentralization is adopted in cases where the exercise can be conducted you know in the branch or in the zones and whether the process would be centralized or

decentralized would again depend upon for policy is formulated by the top management. Generally speaking the HR department handles certain aspects of recruitment and you know the preliminary screening of applications, and then the marketing and sales department handles further screening if required and makes the hiring decisions.

(Refer Slide Time: 19:52)



Factors affecting the Recruitment Process

- **Internal factors:**
 - Company size and expansion plans, Company's HR policies (Promotions from within; Compensation policies), Finances and budgetary allocation
- **External factors:**
 - Industry scenario (Unemployment; supply and demand of qualified manpower), Company image and reputation, Demand of the skill set etc.
 - External factors would also include macro-environmental factors like socio-cultural, politico-legal and economic factors

The slide features a yellow background with a blue header and footer. At the bottom right, there is a video inset showing a woman with glasses and a red top. The footer contains logos for 'swayam' and 'INDIA WISE, FUTURE READY'.

What are the factors which would affect the recruitment process? Now again there could be factors internal to the company which would affect the process like for example, the company size and expansion plans, the company's HR policies with respect to promotions from within compensation policies etc as well as the finances and budgetary allocation for the recruitment exercise. They could also be external factors which would affect the recruitment process, these would be the industry scenario you know unemployment or these supply and demand of qualified manpower, also the company reputation and image in the industry, the demand for skill set in the industry.

External factors would also involve or also include a macro environmental factors like socio cultural political legal and economic factors all of which would have a bearing on the recruitment process.

(Refer Slide Time: 20:46)

Sources of Recruitment

- Internal Sources (sources within the company)
- External sources (sources outside the company)

(Contd.)

Now, let us come to the sources of recruitment. Now source of recruitment could be both internal and external. Internal source of recruitment are when people within a company are encouraged to apply for job openings in the company in the company, and external sources are when the company you know goes in a big way and invites applications from outside to apply for the job various job openings in the organization.

Now, let us discuss the internal and external sources in greater length and also then elaborate on the advantages and disadvantages of the two sources.

(Refer Slide Time: 21:25)

I Internal Sources:

- This includes persons who are already employed in an organization
- In case of a job opening or a vacancy arises, employees in the organization may be promoted, demoted or transferred

II External Sources:

- This includes persons who are employed in other organizations
- External sources would include employees working in other companies, unsolicited applications, job sites and internet, consultants, students from colleges, and those responding to advertisements etc.
- Entry level jobs are usually filled by external sources of recruitment
- External sources of recruitment are resorted to when the company does not have people with skills and abilities required for a particular job, and when it wants to have newer people with fresh ideas

(Contd.)

With respect to internal sources as I said this pertains to people who are already employed in the organization. So, in case there is an opening or a vacancy employees in the organizations may be promoted, demoted or transferred or they may be even encouraged to apply for these positions. Now in some cases promotion from within it does not happen until and unless the person applies afresh for that position.

In other ways what I am trying to say is that, while in some organization it is a promotion is something which is automatic after a person has attained some years of service or he has contributed significantly to the organization. So, in other words either on the basis of seniority or on the basis of merit, in some cases this does not happen. In order to be considered for a sales job position, the person may be asked to apply afresh. So, you know he makes an he applies for a particular job opening and in case there is a vacancy and he is considered as a candidate afresh of course, his seniority in the organization his experienced in the organization is taken forward and is counted.

So, internal sources is that it includes people who are already employed in the organization and in case of a job opening, they are promoted, they may be demoted you know or transferred. Now when does demotion happen well if a person is not doing well and the company wants to take some disciplinary action against him he or she may be demoted to a position lower than where he actually is, because the position lower is something which is vacant or there is a job opening at a lower position. Lateral movements are also encouraged where person from one division of one department is transferred to another. In our case it may so, happen that a person from a department is shifted and moved to transferred to the sales job or to the sales function. So, this will be an internal source of recruitment.

Again I repeat while in some cases this may be automatic as either a because of seniority or because of merit, in some cases people may be asked to apply afresh and they may apply for these positions you know and compete amongst themselves for the job opening. And the second sources of recruitment are external sources which include people employed in other organizations other companies. The sources here include employees working in other companies, unsolicited applications, job sites and internet consultants students and students from colleges and those responding to advertisements etcetera.

Now entry level jobs are generally filled by external sources of recruitment and these are resorted to when a company, does not have people with skills and ability is required for a particular job and they want you know to have people with newer ideas, fresher ideas and so, they would go in for external sources of recruitment.

(Refer Slide Time: 24:41)

Internal Sources

- Company sales personnel
- Company executives
- Internal transfers
- Past applicants

(Contd.)

swayam

So, let us talk a little bit more on the internal sources. Internal sources would include company sales persons a company executives, internal transfers and past applications.

(Refer Slide Time: 24:52)

Company Sales personnel:

- Friends, relatives and acquaintances of company's sales personnel apply for sales jobs
- Recommendations made by company sales personnel already working in the organization serve as an important source, and reference check for such people can be easily conducted (of course these should be checked for reliability)

Company Executives:

- Recommendations made by executives of the company which are at higher positions also serve as an important source

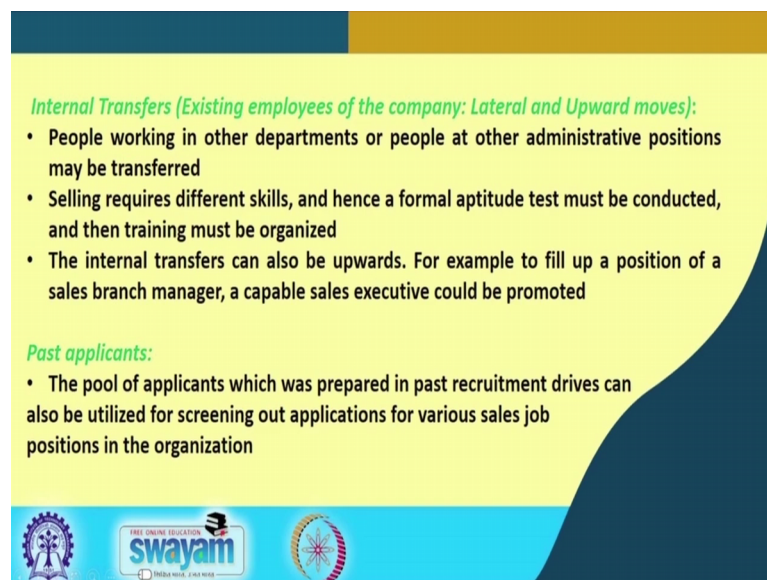
(Contd.)

swayam

The first is company sales personnel. Now friends relatives and acquaintances of a company's sales personnel apply for sales jobs. Recommendations you know made by the company sales people already working in the organization, can serve and is an important source for these people and reference check can be done; however, its very important that these reference check for such people should be checked for reliability.

The second source is company executives. Recommendations made by executives of the company which are at higher positions can also sold can also serve as an important source of recruitment and this again falls under internal sources of recruitment.

(Refer Slide Time: 25:34)



Internal Transfers (Existing employees of the company: Lateral and Upward moves):

- People working in other departments or people at other administrative positions may be transferred
- Selling requires different skills, and hence a formal aptitude test must be conducted, and then training must be organized
- The internal transfers can also be upwards. For example to fill up a position of a sales branch manager, a capable sales executive could be promoted

Past applicants:

- The pool of applicants which was prepared in past recruitment drives can also be utilized for screening out applications for various sales job positions in the organization

The slide features a yellow background with a dark blue curved shape on the right side. At the bottom, there are logos for Swayam (Free Online Education) and the Ministry of Education, Government of India.

The third is internal transfers. Now existing employees of the company may be considered and you know as I just said in case of promotions, demotions or in case of transfers you know we see that they could act as important sources you know of recruitment. Now internal transfers will be lateral in upward moves; lateral is when they move from one department to another at the same level or at different levels, and up upward is when they are promoted from a particular position to another position.

Now, people working in other departments or people at other administrative positions will be transferred, but, but because selling requires different skills a formal aptitude test must be conducted and training needs must be determined and then training must be organized. Internal transfers a can also be you know upward as I said or they could be lateral upward is then when put to fill a particular position of a sales branch manager, a

capable sales executive is promoted and lateral is when he is moved from one department to the other.

Past applicants the pool of applicants which was prepared in the past can also serve as an important source you know; as I said a little while ago not all qualified candidates do actually reach to the reach to the final stage of selection and can actually be made you know can actually be given offers. There lot candidates who cannot reach the last stages of selection although they are good and can be considered later. So, the pool of applicants which was prepared in the past recruitment drive can also be considered for screening out applications for various sales job positions in the organization. So, this again acts as a source of as an internal source of recruitment.

(Refer Slide Time: 27:31)

• **Advantages of internal sources of recruitment:**

- It is less costly in terms of time and money
- Familiarity of the HR department and the marketing and sales department with the candidate and that of the candidate with the company can be beneficial
- Company policies on recruiting from within via promotions and transfers can enhance employees' motivation and job satisfaction, and provide a boost to their morale. It can also lead to organizational commitment
- Companies can benefit from the past efforts it has made in recruiting, selecting, training and developing its current employees

• **Disadvantages of internal sources of recruitment:**

- No infusion of fresh blood; leads to dearth of creativity and innovative ideas
- People may compete amongst themselves for the same job opening; this could lead to an unhealthy climate in the organization
- Jobs at managerial levels may require specialized training and experience (acquired over long periods and diverse jobs), and this may be lacking in current employees)

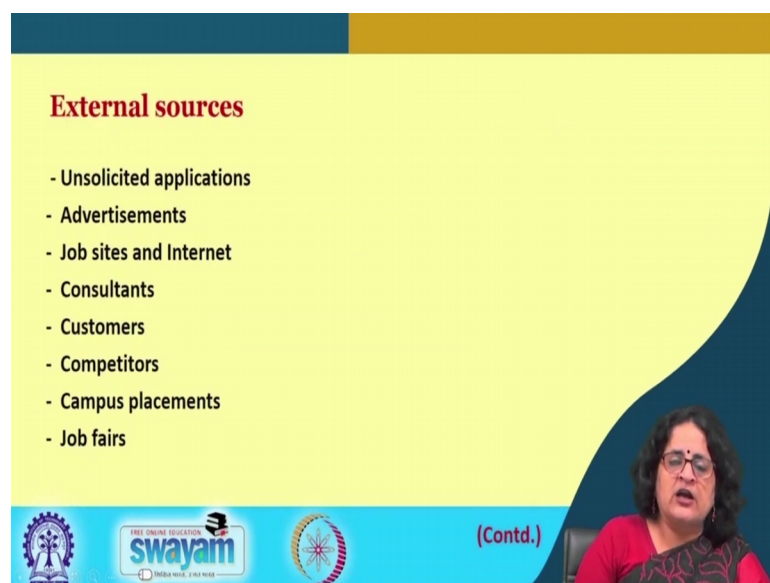
(Contd.)

The slide features a yellow background with a blue and orange header. At the bottom, there are logos for 'swayam' (Free Online Education) and 'MHRD' (Ministry of Human Resource Development), along with a small video inset of a woman in a red top speaking.

Now, coming to the advantages and disadvantages; advantages of internal sources are that its less costly in terms of time and money to conduct the exercise when the sources of recruitment are internal familiarity of the HR department and the marketing in sales department with the candidate and that and that of the candidate with the company, is always you know helpful company policies on recruiting from within via promotions and transfers also enhance peoples motivation and job satisfaction they boost their morale and it can lead to organizational commitment on their part and companies can also benefit from their past efforts that have made in with respect to recruitment selection and training of these people.

However the disadvantages of internal source of recruitment are that there is no infusion of fresh blood and there is dearth of creativity and innovative ideas. People may also compete with each other for the same job and this could lead to an unhealthy climate in the organization also a jobs at managerial levels or sales managerial levels may require specialized training and experience which is which only be acquired over longer periods of time and in diverse job positions, which may be which may again be lacking in the current employees of the organization. So, these are the disadvantages of the internal source of recruitment.

(Refer Slide Time: 28:49)



External sources

- Unsolicited applications
- Advertisements
- Job sites and Internet
- Consultants
- Customers
- Competitors
- Campus placements
- Job fairs

(Contd.)

Now, coming to external source of recruitment, these are unsolicited applications, advertisements, job sites and internet, consultants, customers, competitors, campus placements and job fairs.

(Refer Slide Time: 29:03)

Unsolicited applications:

- The unsolicited walk-ins as well as write-ins or online applications received by the company in the past can be used as a source of recruitment
- Such people might be given a preference as well as they have already shown their inclination towards the company

Advertisements:

- Advertisements in leading news-papers, journals, magazines, radio and television can be used by companies to attract applicants
- Blind ads. may be used where the company does not want to reveal its identity

Job sites and Internet

Consultants:

- Placement consultants can be contacted and asked to provide a pool of applicants
- This is like outsourcing the recruitment job to a company which is specialized

in the recruitment tasks

swayam

(Contd.)

So, we first come with unsolicited applications; unsolicited walk ins as well as write ins or online applications received by the company in the past can be used as source of recruitment such people may be given some kind of a preference because they have already shown their interest in the company.

Another source of recruitment is advertisements. Advertisements in leading newspapers, magazines, journals trade radio and television can be used by companies to attract applicants; blind ad may be used where the company does not want to reveal its identity. So, it would use an address or it would use a post box number in this case, job sites and internet are again sources of where from where company can look for recruits consultants. Now placement consultants can be contacted and asked to provide a pool of applicants. This is like outsourcing the recruitment job to a company, which is specialized in the process or specialized in the task of recruitment.

(Refer Slide Time: 30:04)

Customers:

- Customers might also recommend employees working in their company who have reached the maximum potential in their jobs and are looking for further options

Competitors:

- Employees working in both competitor and non-competitor companies can be contacted.
- Most of the times best performers of competitors are stimulated to join at higher salaries, better perks and higher positions

Campus placements:

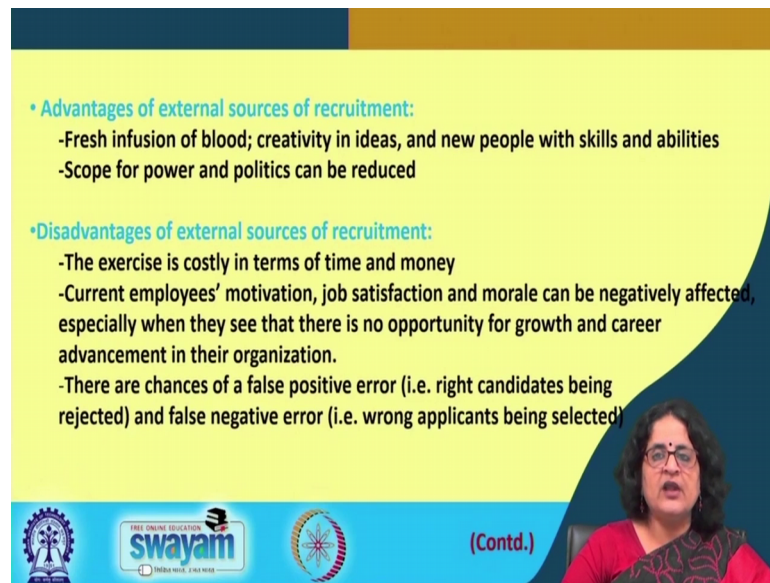
- A team from companies can visit the educational institutions and interact with the students of professional courses like MBA and stimulate them to apply for jobs in their organization

Job fairs

(Contd.)

Your customers can also be vital sources of recruitment of finding recruits, customers might recommend employees working in their company who have reached the maximum potential in their jobs and are looking for further options. Competitors: now employees working in both competitor and non competitor companies can also be contacted, most of the time the best performers of competitors are stimulated to join at higher salaries, better perks and higher positions. So, we refer to this as poaching. Campus placement is again a very very important source a team from companies can visit the education institutes and interact with the students of professional courses like MBA and stimulate them to apply for jobs in the company and of course, job fairs again prove to be a very important source of recruits.

(Refer Slide Time: 30:54)



• **Advantages of external sources of recruitment:**

- Fresh infusion of blood; creativity in ideas, and new people with skills and abilities
- Scope for power and politics can be reduced

• **Disadvantages of external sources of recruitment:**

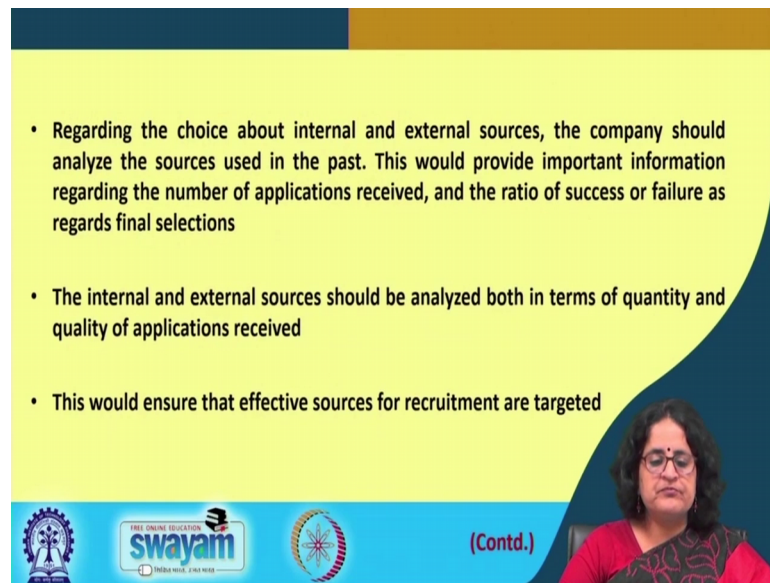
- The exercise is costly in terms of time and money
- Current employees' motivation, job satisfaction and morale can be negatively affected, especially when they see that there is no opportunity for growth and career advancement in their organization.
- There are chances of a false positive error (i.e. right candidates being rejected) and false negative error (i.e. wrong applicants being selected)

(Contd.)

Now, what are the advantages and disadvantages of external source of recruitment? External source of recruitment means fresh infusion of blood creativity in ideas and new people with knowledge skills and abilities. So, the scope also the scope for power and politics can be reduced in the organization, unhealthy environment would not get created because people would not compete with each other.

Of course, the disadvantages are that it is costly in terms of time and money, it also affects people current peoples you know motivation and morale because they feel that they have no you know scope for career advancement and there are also chances of a false positive error, that is the right candidate being rejected and a false a negative error, which is the wrong applicant being selected.

(Refer Slide Time: 31:40)



• Regarding the choice about internal and external sources, the company should analyze the sources used in the past. This would provide important information regarding the number of applications received, and the ratio of success or failure as regards final selections

• The internal and external sources should be analyzed both in terms of quantity and quality of applications received

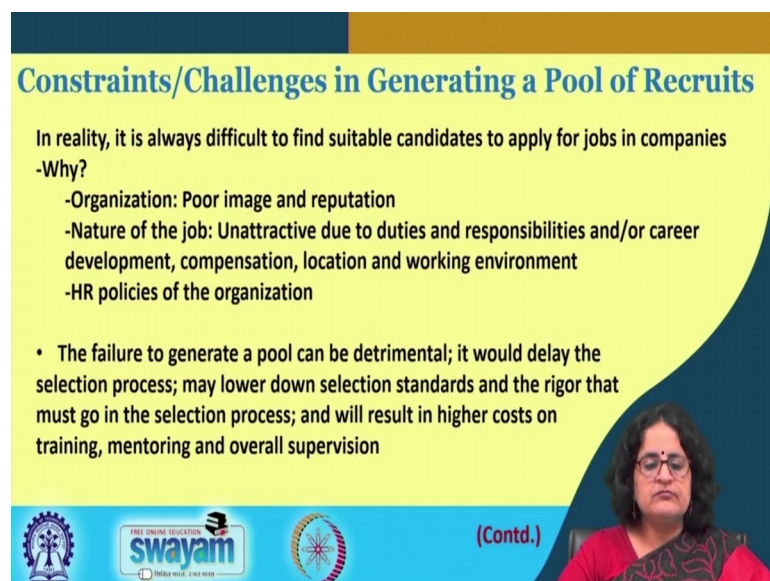
• This would ensure that effective sources for recruitment are targeted

(Contd.)

The slide features a yellow background with a dark blue curved border on the right side. At the bottom, there is a blue banner containing the logos of Swamyam and other institutions, along with the text "(Contd.)". A small inset image of a woman is visible in the bottom right corner.

Now, regarding the choice whether you should use an internal or external source of recruitment, the company should analyze the sources that it has used in the past. This would give them an idea about the number of applications received and the ratio of success or failure as regards the final selection. The internal external sources should be analyzed both in terms of quantity and quality of applications received and this would ensure that effective source of recruitment are targeted.

(Refer Slide Time: 32:08)



Constraints/Challenges in Generating a Pool of Recruits

In reality, it is always difficult to find suitable candidates to apply for jobs in companies

-Why?

- Organization: Poor image and reputation
- Nature of the job: Unattractive due to duties and responsibilities and/or career development, compensation, location and working environment
- HR policies of the organization

• The failure to generate a pool can be detrimental; it would delay the selection process; may lower down selection standards and the rigor that must go in the selection process; and will result in higher costs on training, mentoring and overall supervision

(Contd.)

The slide features a yellow background with a dark blue curved border on the right side. At the bottom, there is a blue banner containing the logos of Swamyam and other institutions, along with the text "(Contd.)". A small inset image of a woman is visible in the bottom right corner.

Now, there are certain constraints and challenges in generating a pool of recruit; you know in reality it is always difficult to find the right candidate or the suitable candidate to apply for jobs. Why could this be one you know the organization image or reputation is not too great. So, it fails to attract applicants to the nature of the job is something, which is unattractive or you know and maybe boring or too stressful or the compensation that is being provided is something which is not very lucrative or the working environment is not very good So, this is again a reason why companies may find it difficult to generate a pool of applicants. Also the HR policies of the organization in terms of you know performance appraisals or you know placement, mobility compensation packages etcetera may not be very attractive.

So, the failure to generate a pool of applicants can be detrimentally it would delay the selection process, it may lower down the selection standards and the rigor that must go in the selection process and the company may have to settle down for candidates who are not very good. This will also result in higher costs on training mentoring and overall supervision of the newly hired people.

(Refer Slide Time: 33:27)



Guidelines for designing an Effective Recruitment Process

- Create a favorable image and a good reputation about the company; this would help generate a large pool of applicants
- Formulate a clear and precise recruitment policy; specify whether a particular position must be filled by internal or external sources
- Engage in manpower planning to determine the right kind and right number of people needed to fill up a position at the right time
- Formulate a budget for the recruitment process; to ensure effectiveness, start the recruitment process only after important tasks like job analysis and manpower planning have been performed; also recruit simultaneously for multiple job openings

The slide features a yellow background with a dark blue curved border on the right side. At the bottom, there is a blue banner with logos for 'swayam' and 'INDIA WISE CHANGES', along with a small video inset of a woman in a red and black patterned sari.

So, then we come to how do you create or design an effective recruitment process. The first is that you create a very favorable image and good reputation of your company, this will help attract applicants. Second formulate a clear and precise recruitment policy whether a particular position must be filled by internal sources or external sources.

Engage in manpower planning to determine the right number and the right kind of people required to fill the position at the right time and formulate a budget for the recruitment process.

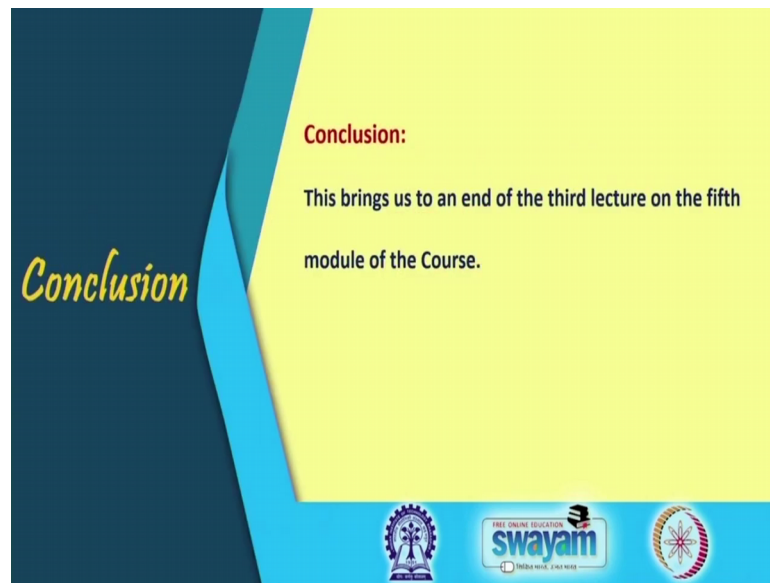
Now, to ensure effectiveness one should start the recruitment process only after important tasks like job analysis and manpower planning have been performed. Also if you know to be cost effective it can be my company should go in for simultaneously recruiting multiple job you know of opening. So, they must recruit simultaneously for multiple job openings.

(Refer Slide Time: 34:21)



This brings us to an end of this lecture. So, these are the references.

(Refer Slide Time: 34:28)



And we conclude with the third lecture on the 5th module of the course, we shall be taking this forward with discussion on selection in the next lecture. I hope you have found this fruitful.

Thank you.