Social Networking Sites: A Fad or a Breakthrough in New Age Recruitment

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Abstract - Purpose: Today talent acquisition is one of the major challenges faced by the most of the companies in India. The age old techniques and practices of recruitment is gradually giving way to new and modern techniques of acquiring and building a talent pool for various industries. Social networking sites have become a rage amongst the young professionals today though elderly professionals are also making their foray into this field. With more and more people spending a substantial portion of their productive time on social networking sites, it has given a new turn to recruitment trends across the industry. The study explores the impact of social networking sites on the recruitment practices across various sectors in India. The study examines the impact of these sites both from the recruiter’s point of view as well as the job seeker’s point of view. It brings to the fore the various opportunities which have opened up due to the upsurge of social networking sites and also paves the way for the future prospects of the same.

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Design/ Methodology/ Approach: The study has been conducted with the help of inputs received from various sources like publications and personal interviews with industry professionals. A comprehensive analysis of the shifting trend has been done and explained through various graphs and diagrams.

Findings: The findings of the survey has revealed marked shift in trend from traditional methods of recruitment to modern techniques like social networking sites. However there still remains enough room for improvement and tapping of various advantages through such sites.

Originality/Value: Provides foundation for insight so that the framework could be usefully developed for various companies and other industries to bring about a perfect job-talent match for the organization.

1. Introduction

The year 2009 marked a rough phase for the Indian economy due to recession, however, things gradually improved for the Indian companies in 2010. The year 2010 once again witnessed a double-digit growth achievement for various sectors. The Indian companies remained upbeat on economic recovery and tapped growth opportunities in the emerging geographies due to the improved demand in the market. All this was possible despite setbacks in its main market United States.

The Manufacturing sector in India has been undergoing significant transformation over the last decade and a half. From being a sector deploying suboptimal technology and servicing an import substitution market, the sector has come a long way. There are abundant examples of success stories of global scale and standards within the Indian manufacturing sector today and the sector is growing from strength to strength.

According to some analysts, year 2012 will be even more promising for the Indian manufacturing sector as a number of foreign companies plan to step up their collaborative investments in India. Also, in 2011, the focus will be on innovation and the manufacturing of products which will be at par with global standards.

As the Indian manufacturing sector is poised to take on the challenge of giving a tough competition to the global players, here’s a look at how Indian manufacturing sector will shape up in 2011.

- Key Drivers:
  a) Operational Improvement
  b) Significant Cost reduction
  c) Global competence
- Fortunately for the manufacturing sector, the relatively slow recovery in export growth has accelerated. Year-over-year growth in total export demand averaged 25 percent during the fourth quarter of 2010 and the first quarter of 2011, more than double the growth rate of the prior two quarters. Nonetheless, the prospects for persistent strength in export activity have to be questioned, given the slowdown in world growth
- Table 1 shows actual output growth data for FY 2010 and projections for FY 2011 and FY 2012.

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Thus with the plethora of opportunities available, talent acquisition through the right sources becomes one of the major human resource responsibility in order to augment the demand and supply gap in various industries.

II. Review Of Literature

Studies reveal that 65% of the time, the hiring process is the deciding factor in establishing whether the recruiter will get a good performer or not.

Social networking is one of the most sought out solution for sourcing and recruiting employees in companies as it offers an exciting means for linking employers and potential employees. Employee recruitment across levels has become more challenging as the market for qualified job applicants is shrinking. Giving advertisements in newspapers and internet-based job boards is expensive and it is a constant challenge to target the narrowly defined candidate types through mass advertising. This is when social networking becomes an emerging and an exciting imperative. As Ashish Garg, Director of Recruitment for Convergys Customer management operations in India, reveals, recruiters perform more than 30% of their sourcing activities through social networking sites. They have a team of social media recruiting specialists and hope to develop many more such specialists in the next 12-18 months.

The Services giant EMC is a creative experimenter. It plays particular attention to how its 40,000 global employees use internal social media to locate needed expertise within the company. The social networking media is making its foray into enterprises as well. The software applications that are based on social networking platforms are focused on two aspects— one, as a tool to monitor the social networks and other as a platform to connect and do networking. Enterprises are using social networking tools to do brand and reputation management and also to acquire the required talents.

III. Assessing Return On Investment Of Social Media Hiring

According to an article published by the Human Capital, due to shifting HR recruitment metrics, assessment of recruiting tools has become very important. Following are the ways of assessing the social networking tools in order to gauge their effectiveness:

1. **Influence:** Twitter influence is measured using tools like Twinfluence or Twitter Grader. Facebook business pages can also be measured with some beta tools like FB Grader.

2. **Traffic:** The goal of traffic is to specifically get people to look up the career website and possibly, specific job postings, which motivate them to apply for jobs.

3. **Chatter:** To measure chatter specifically about one's career opportunities, the interview / selection process and what it’s like to work in the company etc., some of the influence tools mentioned above can be used but periodic auditing of the chatter and monitoring of the social media is equally important.

4. **Intelligence and candidate experience:** Focus groups or online surveys can be used for finding the candidate's experience.

Companies are taking this approach to embrace uncertainty, using small-scale tests to find ways to improve discrete functions and practices. They aim to learn by listening to customers and employees on platforms such as Twitter and Facebook. The HR fraternity is using social networking mainly for recruitment related activities. Professional sites like LinkedIn are helpful tool in sourcing various profiles, recruitment related activities. Professional sites like LinkedIn are helpful tool in sourcing various profiles.
a) **Objectives**
1. To understand the impact of social networking sites on the recruiters hiring practices
2. To identify the authenticity of these channels on the minds of the job seekers
3. To analyze the future prospects of these sites as a breakthrough in new age recruitment

**IV. RESEARCH DESIGN AND METHODS**

**Sample design:** The present research study covers various companies across different sectors. “Random Sampling Technique” has been used for choosing the respondents.

**Data Used:** Both primary data and secondary data have been used for the purpose of study

i. **Primary Data:** Primary data have been collected through the “Survey Method” with the help of structured questionnaires. Two types of questionnaires were developed: a) One for the recruiter and b) One for the job seeker

Questionnaires were administered personally for nearly 180 respondents and 100 were mailed out, out of these 264 (100 from recruiters and 164 from job seekers) valid questionnaires have been received, thus the response rate has been approximately 94%.

ii. **Secondary Data:** Secondary data used have been collected through published books, articles in magazines and journals and Internet websites

**Questionnaire Development:** For the purpose of analysis, a structured questionnaire was developed in 2 stages as follows:

1st Stage: An exploratory study was carried out using personal interviews. This was done to understand the influence of social networking sites on the recruitment practices of the Human Resource Department of various firms and also to understand the usage rate and relevance for job seekers.

2nd Stage: Based on the findings of the exploratory study, a closed-ended questionnaire was developed which were then mailed out to different respondents as well information was collected through personal interviews.

**Scope of the study:** Employees from the following companies across different locations in India extended their cooperation as respondents for this study.

<table>
<thead>
<tr>
<th>Companies</th>
<th>Recruiters</th>
<th>Job seekers</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBM</td>
<td>15</td>
<td>23</td>
</tr>
<tr>
<td>Amtek Auto Ltd.</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>NTPC</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>Tata Motors</td>
<td>17</td>
<td>25</td>
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<tr>
<td>Larsen and Toubro</td>
<td>6</td>
<td>15</td>
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<tr>
<td>Jindal Steel</td>
<td>12</td>
<td>20</td>
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<tr>
<td>Philips Electronics Ltd</td>
<td>15</td>
<td>22</td>
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<tr>
<td>Dr. Reddy’s Laboratories</td>
<td>12</td>
<td>18</td>
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</tbody>
</table>

**Analysis technique:** The responses of the two types of questionnaires were analyzed with the help of graphical representations, bar diagrams and pie charts & analysis and conclusion drawn thereby.

**IV. RESULTS AND DISCUSSION**

Recruitment trends of any industry are judged with the help of both the recruiters as well as the individuals seeking job in that industry. Therefore keeping this in mind, we have analyzed the influence of these sites from both the angles.

**Recruiters’ perspective:**

- The most popular and widely used medium of recruitment in most of companies is through internal referrals followed by job portals. Preference of social networking sites is at par with print media. While other companies also recruit potential candidates through campus selection.

- Majority of the companies are using the social networking sites mainly as a supplementary tool for approaching potential candidates for filling up job vacancies. Recruiters feel as of now they cannot rely only on one particular form of recruitment tool and have to combine various tools in order to attract the right talent for the right job vacancies.

- Recruiters are mainly using the social networking sites for searching talents in the middle management level positions, followed by top level management positions and then for lower level. The reason being, for lower level positions there is plenty of talent available in the market while for the top level positions not many individuals rely on these sites so experience has revealed the most lucrative segment is the middle level managers (Managers, Asst. Managers, Dy. Managers etc)

- Reference and background checks play a very important role in understanding an individual’s psychology, behavior patterns, professionalism and sociability. So majority of the firms do refer to a candidate’s social profile in order to get a deeper understanding of an individual and also to analyze the employee-job-fit.

- There has been a positive response rate of almost 63% from most of the candidates approached for
job vacancies which shows the growing reliability of job seekers for this mode of placement

- Linked In tops the chart in the list of the most sought after recruitment site through social networking with 52 % firms using it to shortlist candidates, followed by Facebook (25 %) while 23 % firms under the survey preferred a combination of both.
- 72 % of the firms do not blindly rely on the information provided in the social networking sites of a candidate (even if it is the most professional site like Linked In). They always supplement it with proper reference checks and background checks.
- These sites are mostly preferred for candidates with Niche skills.
- Almost 83 % of the firms feel that social networking sites will revolutionize the trend of recruitment and will emerge as a new age tool for recruitment with only 16 % saying that is an overhyped tool for recruitment.
- Sociability is the most important aspect of one’s personality that is judged through these sites to some extent. Behavior and psychology is also judged in order to ascertain proper cultural fit for the organization.

**Job seekers’ perspective:**

- Most of the job seekers, today, have their profile uploaded on both Facebook as well as Linked In while Orkut is gradually losing ground.
- The survey has also revealed that on an average respondents have been active on the social networking sites for more than 2-3 yrs.
- Most of the professionals spend approximately 21-30 hours every week on these sites.
- Information pertaining to both jobs and socializing are the main motivators for being active on these sites.
- Linked In tops the charts when it comes to approaching potential candidates through social networking sites followed by Facebook.
- Referrals for jobs through acquaintances still remains the most favored source to getting placed while social networking sites are closely gaining ground on this front as well.
- A majority of the respondents have admitted that they provide authentic information about their professional backgrounds in these sites which shows the growing levels of seriousness amongst professionals for this mode of job hunting.
- Candidates view companies recruiting through these sites as having good employer branding and modern and up to date. They feel that these companies know how to blend into the existing trends of the market thus work culture is expected to be global and employer friendly.

**V. Recommendations**

The findings above have revealed that social networking sites are indeed a breakthrough in new age recruitment. Its merits coupled with certain drawbacks are gradually coming to the forefront. However the advantages of this modern technique of recruitment by and large outweigh its demerits. Thus certain recommendations have been laid down in order to improvise its usage and implementation:

1. **Cheaper alternative**- Social networking sites can be used as an exciting imperative and a cheaper alternative to advertisements in newspapers and job portals given the mounting expenses and the requirement for targeting a narrowly defined candidate types through mass advertisement. It also gives an opportunity to engage with passive job seekers.
2. **Candidates’ psychology**- The wealth of information that is available on these sites can be used for understanding the psychology of the potential candidates and thus helps us in understanding the employee-job-fit. This will not only give a boost to successful recruitment but also help in enhancing employee retention initiatives.
3. **Employer branding** is the latest buzz word in the business world today. These sites can be effectively used by organizations to establish themselves as good employer brands in order to attract the best talents of the industry.
4. **Niche skills**- With people spending almost 30 % of their online time on social media, this medium can be initially utilized for tapping people having niche skills followed by an all pervasive approach at a later stage as the study above has revealed that job seekers respond quite positively to opportunities offered to them through these sites.
5. **Early adopters**- Companies which can gain the first movers advantage will remain ahead of its competitors who might face entry barriers afterwards. It always pays to be constantly updated with the latest trends of the market. So it’s always better to be an early adopter and encash on the situation when the completion is low.
6. **Training and motivational sessions**- Organisation can also implement this new strategy through planned phased out training and motivational sessions for their recruitment team. They need to highlight the benefits and ways in which recruiters can tap potential talents. For example, alumni is an important pool and social media is emerging as a convenient platform to keep in touch with them.

**VI. Conclusion**

The social media recruiting is here to stay and with the combined efforts of both the recruiters as well as the job seekers it will revolutionize the recruitment
metrics and practices. As of now in order to reap the benefits of this medium, we need to run it in tandem with other recruitment channels as well. However, its success and importance will depend on the reach, cost and the kind of people it attracts. Thus, it very important to target the right professionals for the right job.

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Recruiter’s perspective:
Recruiters use social networking sites mainly as a supplementary tool

Response rate of candidates approached through social networking sites
Popular networking sites being used increasingly for recruitment

**Job seeker’s perspective:**
Sites mainly offering job opportunities

Authenticity of information given by job seeker

Opinions about companies recruiting through social networking sites