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SCHOOL OF GRADUATE STUDIES

MBA PROGRAM

**THE EFFECT OF RECRUITMENT AND SELECTION PRACTICE ON
ORGANIZATIONAL PERFORMANCE: THE CASE OF AKAKI KALITY SUB CITY**

BY: SOFONIAS FISEHA

JUNE, 2021

ADDIS ABABA, ETHIOPIA

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ID NUMBER: SGS/0493/2012A

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE
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DECLARATION

I declare that this thesis work entitled the effect of Recruitment and Selection Practice on organizational performance is my original work and has not been presented earlier for award of any degree or diploma to any other university and that all sources of materials used for the thesis have been duly acknowledged. I have conducted it independently except for the guidance and suggestion of my research advisor Saleamlak Molla (Ph.D.).

Declared by: Name_____

Sign_____

Date_____

LETTER OF CERTIFICATION

This is to certify that Sofonias Fiseha has carried out his research work on the topic of “**The effect of Recruitment and Selection Practice on Organizational performance: The Case of Akaki Kality sub city**” under my supervision. This work is original in its nature and it is suitable for Submission in partial fulfillment of the requirement for the award of degree of Master of Business Administration (MBA).

Saleamlak Molla (PhD)

(Advisor)

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Acronyms

HR	Human Resource
HRM	Human Resource Management
EEO	Equal Employment Opportunity
SPSS	Statistical Packages for Social Science
AKSC	Akaki kaliti Sub City

Abstract

Recruitment and selection, as a human resource management function, is one of the activities that impact most critically on the performance of an organization in terms of achieving its ultimate goal. The objective of this study is to examine the effect of Recruitment and selection practice on organizational performance in the case of AKSC. The study used explanatory research design to achieve the objective of the study. Quantitative research approach was also applied. To select the sub city and the woredas in it, Purposive Sampling technique was used. Questionnaires were distributed to collect the data from the sample of 254 employees of the sub city and its two woredas. After the data was collected descriptive analysis method such as mean, Frequency, and Percentage were used. The inter-dependency and effect of variables was analyzed by Correlation analysis and regression analysis, respectively. The finding indicated a strong positive relationship between the dependent variable (organizational Performance) with the independent variables (recruitment and Selection) Practice. R Square = 0. 641 implies that 64.1% of organizational performance is explained by recruitment and selection practice. The sub city mainly uses magazines to announce for open vacant positions and usually hires from external source. The question during the Paper examination usually does not measure the knowledge, skills and abilities of the candidates. The sub city does not provide equal employment opportunities as their selection criteria are not transparent. The researcher provided some recommendations in order to enhance the recruitment & selection practices of the sub city. As the world is evolving faster in technology the sub city better consider expanding its announcement methods in the likes of Social Medias. The recruitment sources which are external and internal better be balanced. In order to measure the knowledge, skill and abilities of the candidates it is better that the exam to be framed and prepared by recruitment and selection committee with the guidance of experts on the area. Having in mind the effect of recruitment and selection practice on organizational performance the sub city better pay enough attention to their recruitment and selection practice.

Key words: recruitment practice, selection practice, organizational performance, and akaki kality sub city.

CHAPTER ONE: INTRODUCTION

1.1. Background of the study

Recruitment and selection is one of the basic functions of Human Resource Management. There is a clear distinction between recruitment and selection. Walker, Field, Giles, Armenakis, and Bernerth (2009) explained that recruitment is the process of attracting a large pool of qualified people for employment. This involves planning for human resource to job design, job description, job analysis, creating awareness among others. Selection on the other hand is the process through which organizations make decisions about who will or will not be allowed to join the organization. The selection process varies from organization to organization, job to job, and country to country. Some of the processes include screening applications and resumes, testing and reviewing work samples, interviewing, checking references and background. Organizations use these processes to increase the likelihood of hiring individuals who possess the right skills and abilities to be successful at their jobs. Selection is also the process whereby Human Resource management uses techniques to choose qualified and capable employees from a large pool of applicants (Bratton & Gold, 2007). Storey (2007) asserts that it is the nature and caliber of the human resource of an organization that indicates whether an organization will have a competitive edge over its competitors or not. Thus for this reason, Human Resource Management must ensure that at each stage of the recruitment and selection process the planned strategies for the recruitment and selection are followed.

People are individuals who bring their own perspectives, values and attribute to organizational life, and when managed effectively, these human traits can bring considerable benefits to organizations. One of the most significant developments in the field of organization in recent times is the increasing importance given to human resources. More and more attention is being paid to motivational aspects of human personality, particularly the need for self-esteem, group belonging, and self-actualization. This new awakening of humanism and humanization all over the world has in fact enlarged the scope of applying principles of human resource management in organizations. The development of people, their competencies, and the process development of the total organization are the main concerns of human resource management (Mullins, 1999).

Recruitment and selection process is important for an organization to achieve its goals. When the right people are selected, the employee will produce productive results and stay with the

organization longer hence having a low employee turnover. If selection is not carefully done, the employee may make mistake which leads to a financial loss or customer dissatisfaction. It also wastes the time of human resource managers to go through the recruitment and selection process again. According to Dessler (2000) Recruitment and selection has an important role to play in ensuring worker performance and positive organizational outcomes. It is often claimed that selection of workers occurs to replace departing employees or add to a workforce but rather aims to put in place workers who can perform at a high level and demonstrate commitment.

Organizational performance can be defined as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors (Armstrong and Baron, 2004). Organizational performance can be improved and sustained through having the right staff at the right position. And for that Recruitment and Selection are vital processes which can lead the organization to success as they are one of the determinants of organizational performance. If an organization fails to build an effective recruitment and selection practice, it will distant them from success and organizational achievement. The more effectively organizations recruit and select candidates, the more likely they are to hire and retain satisfied employees. In addition, the effectiveness of an organization's selection system can influence bottom-line business outcomes, such as productivity and financial performance. Therefore, the researcher intended to examine the effect of recruitment and selection practices on organizational performance with particular reference to akaki kality sub city.

1.2. Background of the Organization

Akaki Aality is one of the 11 sub cities of Addis Ababa, the capital of Ethiopia. As of 2011 its population was of 195,273. Formerly, akaki kality was known as *Woreda* 26. Many industries are found in this sub city of Addis Ababa. The district is the southernmost suburb of the city and borders with the districts of Nifas Silk-Lafto and Bole. The administration of akaki kality sub city has many responsibilities as it controls the *woredas* in it and reports back to Addis Ababa city administration.

Akaki kality sub city has to make the sub city one of the middle-income cities in the world by 2017E.C with the help of an effective civil service management system by establishing a modern, efficient and equitable human resource management system in the sub city offices. They

also have a mission that enable the executive bodies under this sub city administration to carry out their mission effectively: By creating effective organization and practice; Organizing and preparing human resource information, planning and development to build a competent, efficient, and effective civil service that supports modern equitable human resource management. Their ultimate goal is by using human resource management of the sub city based on fundamental change by creating a competent civil service that will make a tangible difference that satisfies the need of consumers by implementing equitable human resource management.

1.3. Statement of the problem

It is the wish of most organizations to have the best human resource to channel their collective efforts to excellent performance, increased productivity, job satisfaction and, above all, to meet customer expectations in terms of quality, cost, and time.

It is the wish of most organizations to have the best human resource to channel their collective efforts to excellent performance, increased productivity, job satisfaction and, above all, to meet customer expectations in terms of quality, cost, and time. As vital is recruitment and selection practice on organizational performance, it has not been given a proper attention in akaki kality sub-city. There are many problems in the organization such as customer dissatisfaction, employee turnover, and lack of service quality. For all these issues what the organization usually assumes the problem is related to; the customers failing to understand what they want from the organization, Salary of the employees, Conflicts between managers and employees, Lack of budget and other same old and repetitive reasons.

They have not given much attention to their recruitment and selection practice for their weak performance. The organization has not been able to attract top talent and high-quality candidates due to less attention paid to their recruitment and selection practices. The researcher therefore suggests that recruitment and selection could have a positive impact on organizational performance and try to examine and demonstrate their relationship and effect.

1.4. Research questions

1. What is the effect of recruitment practice on organizational performance?
2. What is the effect of selection practice on organizational performance?

1.5. Objectives of the study

1.5.1. General objective

The general objective of this study is to examine the effect of recruitment and selection practice on organizational performance in the case of akaki kality sub city.

1.5.2. Specific objectives

The specific objectives are:

1. To examine to what extent recruitment practices has an effect on organizational performance of akaki kality sub city.
2. To examine to what extent selection practices has an effect on organizational performance of akaki kality sub city.

1.6. Significance of the study

This study can help akaki kality sub city to check their current recruitment and selection practice and to understand the effect of recruitment and selection practice on organizational performance. Moreover, they can build an effective recruitment and selection practice that helps them to achieve their organizational goals by attracting and hiring a competent candidate. Furthermore, the study may be a useful reference material for researchers and development policy makers who may interested to do a more in-depth analysis of the recruitment and selection practices has an effect on organizational performance.

1.7. Delimitation of the study

The study is conceptually delimited to the effect of recruitment and selection practice on organizational performance. Since to study all variables of the effect of recruitment and selection on organizational performance are impossible, the researcher was delimited to study only two independent variables which are recruitment and selection practice. Geographically the study is delimited to akaki kality sub city due to availability and accessibility of information.

1.8. Limitation of the study

The study attempted to consider different things in order to maximize the worth of research findings. The samples taken for this study were restricted due to lack of resource and time to cover. Thus, it has its own impact on the comprehensiveness of the study. In addition to this, some of the respondents are not able to return the distributed questionnaires on time. Furthermore, the lack of related works done concerning recruitment and selection practice, as

well as limits in the availability of well-organized and reliable data in the sub city that was used in the review literature, were constraints encountered during the work's progress. But the researcher overcame all the problems and conducted the research.

1.9. Definition of terms

Recruitment: is the process of discovering potential candidates for actual or anticipated organizational vacancies (Decenzo and Robbins 2001).

Selection: Selection is the process by which candidates for employment are divided into two classes those who will be offered employment and those who will not (dale yoder 1973).

Organizational performance: when the actual results or output of an organization measured against that organization's intended outputs (jones 2015).

1.10. Organization of the study

The study was organized in to five chapters. Chapter one deals with introduction and consists of background of the study, background of the organization, statement of the problem, objectives of the study, research questions, scope (delimitation) of the study, significance of the study, limitation of the study, definition of key terms and organization of the study. Chapter two deals with literature review. The third chapter discusses about methodology, which covers data type and source, research design, sampling design and sampling technique, method of data collection, data processing, and method of data analysis. In chapter four analysis, interpretation and presentation of data discussed. And then the major findings, conclusion and recommendation are presented in chapter five.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section of the study examined related literature on the effects of recruitment and selection practices on organizational performance. This chapter contains a theoretical review of recruitment and selection, which is accompanied by concepts and issues of recruitment and selection and organizational performance, such as empirical review from previous related works, and finally a conceptual framework was developed.

2.2 Theoretical review of literature

2.2.1 The Concept of Recruitment

HRM is the function within an organization that focuses on the recruitment, management, and providing direction for the people who work in the organization for effective and efficient utilization of human resources to achieve organizational objectives (Opatha, 2010). HRM is the human aspect of the organizational management. It is mostly responsible for the attraction, selection, training, assessment, and rewarding of employees for obtaining maximum contribution toward the organizational success. Stone (2005) defined human resource management as the productive use of people in achieving the organization's strategic business objectives and the satisfaction of individual employees. This definition clearly indicates that the organizations' objectives are dependent on their work force productivity.

People are assets on which competitive advantage is built, whether in public or private sector, whether in a corporate world or in world of education. In the words of the latest theory on human resource management, people are an "inimitable" asset. People and their skills is the one thing that competitor organizations cannot imitate. So, HRM and the practices associated with it have become accepted by managers in all forms of organizations as one of the most important strategic levels to ensure continuing success. The most valuable asset of any large organization is high-caliber employees. Finding right people and putting them at right jobs is the most important challenge for any organization. At the stage of Human Resource planning, the human resource requirement is forecasted, keeping in the mind the forecast the function of attracting the best available talent is carried out by an organization. It involves functions like, recruitment, selection, induction.

The first step in the staffing process involves human resource planning. Human resource planning begins with a job analysis in which descriptions of all jobs (tasks) and the qualifications needed for each position are developed. A job description is a written statement of what a jobholder does, how it's done, and why it's done. It typically portrays job content, environment, and conditions of employment. The job specification states the minimum acceptable qualifications an incumbent must possess to perform a given job successfully. It identifies the knowledge, skills, and abilities needed to do the job effectively.

Definition of Recruitment

Recruitment is the process of generating a pool of capable candidates applying to an organization for employment (Gold, 2007). This suggests that applicants with experience and qualifications most closely related to job specifications may eventually be selected. Organizations become concerned when the cost of a mistake in recruitment is high. According to Armstrong (2006), the aim is to obtain, at a minimum cost, the number of suitable and qualified candidates to satisfy the needs of the organization. The organization attracts candidates by means of identifying, evaluating and using the most appropriate sources of applicants. El-Kot and Leat (2008), observation is that recruitment begins with advertising existing vacancies.

According to Eze (2002), recruitment is the process of finding and attempting to attract job candidates who are suitably qualified and therefore capable of filling vacancies in job positions effectively. The purpose is to encourage them to apply for the vacant position. Costello (2006), affirm that recruitment is a set of activities and processes used to legally obtain adequate number of qualified applicant at the right place and time to enable applicant and the organization to select each other for their own optimum interest. Another scholar Jovanovic (2004) augured that recruitment is a process of attracting a great pool of high quality applicants to select the best among them.

Leopold (2002) defined recruiting as a “positive process of generating a pool of candidates by reaching the right audience, suitable to fill the vacancy”, he further stated that once these candidates are identified, the process of selecting appropriate employees for employment can begin through the means of collecting, measuring, and evaluating information about candidates’ qualifications for specified vacant positions.

According to Costello (2006) recruitment is described as the set of activities and processes used to legally obtain a sufficient number of qualified people at the right place and time so that the people and the organization can select each other in their own best short and long term interests. In other words, the recruitment process provides the organization with a pool of potentially qualified job candidates from which judicious selection can be made to fill vacancies. Judging from the above various definition of recruitment as given by professional and scholars, it is apparent that recruitment borders or deals with the plan advertisement of exiting vacant position in an organization in order to wool or attract suitable and qualify applicant to apply for the vacant position or offices for employment in the said organization. Based on the above recruitment is a very specialized field in Human Resources practices as it involves techniques that will adequately identify the pool of skilled and quality applicants.

Recruitment Policy

According to (Foot, and Hook, 1996), policy is simply a statement of intent on the part of accompany. It outlines the rules everyone is expected to follow and the standards they should achieve. Recruitment policy enables all employees involved in the process to direct their efforts towards achieving the company's goals. A recruitment policy is a statement on how you hire. It outlines your company's preferred hiring practices and promotes consistency within your employee recruiting process. A basic recruitment policy should at the very least include statements about the company's stance on:

- A. The overall goal of recruitment
- B. Equal opportunities

Goals of Recruitment

There are mainly two goals of recruitment

1. Attracting candidates

The first step in attracting candidates is to analyze recruitment strengths and weaknesses. The outcome of this analysis can be used to develop an employee value proposition and employer brand. The general purpose of recruitment according to Gamage (2014) is to provide the organization with a pool of potentially qualified job candidates. The quality of human resource in an organization highly depends on the quality of applicants attracted because organization is going to select employees from those who were attracted. In the same vein, Henry and Temtime (2009) construed recruitment as the entry point of manpower into an organization and the path an

organization must follow from there on in order to make sure that they have attracted the right individuals for their culture and atmosphere so that the overall strategic goals are achieved.

2. To discourage non-qualified Applicants

when recruiting is based upon careful designing of the job description and job specification most of the applicants having irrelevant qualifications are eliminated from the list of potential applicants which makes recruiting process more effective and easier.

Sources of Recruitment

When considering potential sources of employee recruitment, it is easy to conclude that these would necessarily be external, even when it is possible and practical to fill job vacancies within the organization. However, the prospect of filling vacancies internally should still be carefully considered. Read through the job description and employee specifications to determine which source is best for the situation. There are two main sources for recruitment.

1. Internal Sources of Recruitment

Internal source of recruitment means looking for suitable candidates from among the current employee, in an organization. Generally, it applies to those jobs where there is some kind of career structure as in the case of management or administrative staff. The term internal recruitment could also be defined as the practice of choosing amongst current company workers to fill a position that falls vacant over time. Armstrong (2006), proposed that when vacancies exist in the organization, first consideration should be given to employees (internal candidates) who are already working in the organization. These include:

A. **Promotion:** It refers to promoting or upgrading an employee who is already existed in the payroll and contributed for organizational performance. It is done by shifting an employee to a higher position with high responsibilities, facilities, status and pay. Usually, many companies fill higher job vacancies by promoting employees who are considered fit for such positions. This is due to fact that it has a great psychological impact over other employees for their motivation towards better performance. Although most often successful, promotions from within have some draw backs as well. The person's performance on one job may not be a good predictor of performance on another, because different skills may be required on the new job (Mathis, and Jackson, 1997).

B. **Transfer:** It is an alternative technique to promotion. Under it, employees are internally recruited through transfer from one work place to another. It means, transfer refers to the process of interchanging the job duties and responsibilities of employees from one place to another or from one department to another. It involves shifting of people from one job to another without any promotion in their position or grade. It is a good source of generating qualified employees from over-staffed departments.

C. **Job posting:** is an open invitation to all employees in an organization to apply for the vacant position. It provides an equal opportunity to all employees currently working in the organization. Today it has become a very common practice in many organizations across the world. Under this, vacancy announcement is made through bulletin boards or in lists available to all employees. Interested employees, then apply for the post being advertised. In this way, it has become one of the cost saving techniques of recruitment. A job posting system gives each employee an opportunity to move to a better job within the organization (Mathis, and Jackson, 1997).

D. **Job bidding:** the organization may want to some of its current employees to compete with other applicants for some positions and the organization will organize job bidding. Armstrong (2006) proposed that when vacancies exist in the organization, first consideration should be given to employees (internal candidates) who are already working in the organization.

E. **Skill inventory:** It is a database that contains information about employee's skills, education, performance evaluation and career preferences.

1.1 Advantages of Internal Recruiting

Internal recruiting is the search for in-house employees who have the abilities and the attitudes to fulfill the requirements needed and to help the organization achieve its objectives (Mahapatra 2010)

A. **Recruiting costs:** Since the recruiting machinery is focused on an already existing pool of employees to fill a vacant position, and therefore selection and socializing processes are less time and energy consuming, internal recruiting tends to be less expensive than external recruiting.

B. **Motivation:** The prospect of potential promotion or transfers provides a clear sign to the current work force that the organization offers room for advancement. This addresses the employee's need for self-achievement.

C. **Familiarity:** The familiarity of the employee has a two-side effect: On the one hand the employee is familiar with the organization's policies, procedures, and customs. At the same time, the organization has established an employment history showing the workers formal and informal skills and abilities.

1.2 Disadvantages of Internal Recruiting

A. **Inbreeding:** One drawback of extensive internal recruiting is the reduced likelihood of innovation and new perspectives. A lack of new employees from the outsides leads to a lack of new ideas and approaches.

B. **EEO criteria:** A use of the internal pool for the consideration of vacant positions can lead to conflicts with the Equal Employment Opportunity Commission. The organization has to ensure and continuously check its balance of a diverse workforce. This has to relate to the organization's legal, political and geographical environment.

C. **More training:** Internal recruiting demands a higher degree of employee training. In order to develop the skills needed to train the current workforce in new processes and technologies, the organization has to provide a more expensive training program.

2. External Sources of Recruitment

This means that the organization attracts applicants from without the organization to send application for posts within the organization. There are many ways of encouraging suitable external candidates to come forward for final selection. However, before resorting to external recruitment, it is wise to ensure that all possible internal candidates have been given consideration. According to Galanaki (2002), this can be done through nomination by existing employees, where some companies rely on recommendations from their existing staff and occasionally offer incentive schemes for successful introductions. External sources of recruitment include:

A. **Advertising:** is advertising the position/Vacant job through Radio, TV and through bulletins, professional Journals and newspaper (William, 1993). Advertising has traditionally been the most obvious method of attracting candidates and it is still fairly important, especially at local level and in specialized journals (Armstrong & Taylor, 2014). There are four aims that job advertisement should follow:

- A. Generate candidates
- B. Attract attention
- C. Create and maintain interest and
- D. Stimulate action

Generally, if advertising is to be used as a primary method of recruitment, planning and evaluation of the advertising program should be a primary concern of the human resource department.

College recruiting: If an organization is recruiting for managerial, technical or professional applicants, then college and universities are the most important source. Many companies recruit at colleges even when they have very few positions to fill. Reasons for doing this may be recruiting at a prestigious. Colleges may be part of the company is name or the employer may wish to remain a familiar name to potential future employees or customers (Milkovich, and Glueck, 1985).

1. **Educational institutions:** Other educational institutions are another common source of recruits. These include high schools, vocational–technical school (Milkovich, and Glueck, 1985). Organizations concerned with recruiting clerical and other entry–level operative employees often depend heavily on high school and vocational school (Mendy, and Noe, 1990).
2. **Employment agencies: private and public:** An employment agency is an organization that helps firms to recruit employees and, at the same time, aids individuals in their attempt to locate jobs (Mondy, and Noe, 1990).
3. **Professional organizations:** Professional organizations or associations maintain complete bio data of their members and provide the same to various organizations on requisition. They also act as an exchange between their members and recruiting firms in exchanging information, clarifying doubts etc. Organizations find this source more useful to recruit the experienced and professional employees like executives, managers, engineers.
4. **Data banks:** The Management can collect the bio-data of the candidates from different sources like Employment Exchange, Educational Training Institutes, candidates etc. and feed them in the computer. It will become another source and the company can get the particulars as and when it needs to recruit.

5. **Casual applicants:** Depending upon the image of the organization, its prompt response, participation of the organization in the local activities, level of unemployment, candidates apply casually for jobs through mail or handover the applications in Personnel Department. This would be a suitable source for temporary and lower level jobs.

6. **Similar organizations:** Generally, experienced candidates are available in organizations producing similar products or engaged in similar business. The management can get most suitable candidates from this source. This would be the most effective source for executive positions and for newly established organization or diversified or expended organizations.

7. **Labor unions:** This source is used in the construction and shipping industries where it is convenient for the employer and is permitted to labor laws.

8. **Walk-Ins and write INS:** this is especially prevalent for clerical and service job applicants individuals become applicants by walking in to an organization employment office write-ins are those who send written inquires both groups normally are asked to complete application forms to list their abilities and interests, it is kept in an active file until suitable opening occur or until application are too old to be considered valid (Weather, and Davis, 1993).

9. **Online recruitment:** Online or e-recruitment uses the internet to advertise or post vacancies, provides information about jobs and the organization and enables e-mail communications to take place between employers and candidates. The latter can apply for jobs online and can e-mail application forms and CVs to employers or agencies. Tests can be completed online. The main types of online recruitment sites are corporate websites, commercial job boards and agency sites.

Methods of recruitment

The approaches used by an organization to reach out to potential job applicants are referred to as recruitment methods. In other words, these are methods of making contact with prospective candidates. It is important to note that the methods of recruiting vary from the sources of recruitment. The main difference between the two is that the former is a method of connecting with prospective candidates, while the latter is a place where prospective employees can be found. Dunn and Stephen have broadly classified recruitment methods into three groups.

1. Direct Methods

In this method, the representatives of the organization are sent to the potential candidates in the educational and training institutes. They establish contacts with the candidates seeking jobs. These representatives work in cooperation with placement cells in the institutions. Persons pursuing management; engineering, medical etc. programs are mostly picked up in this manner. Sometimes, some employer firms establish direct contact with the professors and solicit information about students with excellent academic records. Sending the recruiter to the conventions, seminars, setting up exhibits at fairs and using mobile office to go to the desired centers are some other methods used to establish direct contact with the job seekers.

2. Indirect Methods

Indirect methods include the use of advertisements in newspapers, magazines, various professional journals, on the radio and television and various notice-boards. As it was stated earlier, an advertisement should be brief, catchy and comprehensive to make the potential candidate interested in the vacancy. In addition, a carefully prepared and worded sound advertisement can help in building a good image of an organization. The indirect method is useful when there are no suitable candidates to be promoted within the company; the organization is aiming at reaching out a vast territory; or a very specific specialist is needed. (Sarma 2008, p; 90-91).

3. Third Party Methods

These include the use of private employment agencies, management consultants, professional bodies/associations, employee referral/recommendations, voluntary organizations, trade unions, data banks, and labor contractors etc. to establish contact with the job-seekers. They are typically used for recruiting candidates for the positions that are difficult to fulfill or for candidates from a specific working field. (Sarma 2008, p; 90-91). The most frequently used third-party methods are public and private employment agencies.

2.2.2 The concept of selection

According to Armstrong, (2010), Selection is that part of the recruitment process concerned with deciding which applicants or candidates should be appointed to jobs. Selection is the process of making the choice of the most suitable applicant from the pool of applicants recruited to fill the

relevant job vacancy (Opatha, 2010). Selection is the process by which specific instruments are engaged to choose from the pool of individuals most suitable for the job available (Ofori&Aryeetey, 2011). Selection involves the use of one or more methods to assess applicant's suitability in order to make the correct selection decision and can be alternatively seen as a process of rejection as it rejects a number of applicants and select only a few applicants to fill the vacancy. Thus, selection function may be a negative function rather than a positive function (Gamage, 2014).

According to Gamage (2014) the objectives of selection function are to get the right person to the right job, establish and maintain a good image as a good employer, and maintain the selection process as cost effective as possible. Selection is an extremely important aspect to consider for businesses due to a number of reasons. Often the performance of businesses relates directly to the people working within it, meaning the right people need to be hired to ensure organizational success (Henry &Temtime, 2009).

Selection is the process by which managers choose from a pool of applicants the person or persons who are most likely to meet the criteria of the job opening given the external and organizational conditions (Ibid). "Organization have always been concerned with attracting and selecting the right types of employees" Briber. By engaging in a continuous recruiting and selection process for both present and future job openings and organization should be in a better position to locate and employ the type of talent that best meet its requirements.

Selection Criteria

Reasonable criteria for the choice must be set prior to selection. If a selection program is to be successful, the employee characteristics believed necessary for effective performance on the job should be stated explicitly in the job specification. The criteria usually can be summarized in several categories: Formal education, experience, physical characteristics and personal characteristics (Ivancevich and Glueck, 1989).The criteria for selection are affected by the nature of the employee, the task and the supervisor employee attitudes and preferences, abilities and altitudes required will vary with the task.

- 1. Formal education:** An employer selecting from a pool of job applicants wants to find the person who has the right abilities and attitudes to be successful. Most employees attempt to serene for abilities by specifying educational accomplishments. Employers tend to

specify as a criterion a specific amount (in years) of formal education and types of education (Ivancevich and Glueck, 1989).

A. Formal education can indicate ability or skills present

B. Most employers' attempt to screen for abilities by specifying educational accomplishment.

C. The educational criteria must be validated against job performance.

2. Experience: One way to measure experience within the organization is to provide each employee with a seniority rating, which indicates the length of time he or she has been employed in the organization. Employers often equate experience with ability, as well as with attitude, reasoning that a prospect who has performed the job before and is applying for a similar job likes the work and will do it well (Ivancevich, and Glueck, 1989).

3. Physical characteristics: There are some tasks that require certain physical characteristics, usually stamina and strength, which can be tested. Candidates cannot legally be screened but by arbitrary height, weight and similar requirements.

4. Personal characteristics: It catches all categories, including

A. Marital status: some prefer stable married people it leads to lower turnover and higher performance. Some prefer divorced or single persons. They are willing to be transferred or to work weekends.

B. Discrimination in selection based on marital status is illegal in some places, and unless an organization has data to support the relation of this criterion to performance, it makes sense.

C. Any age criteria should be examined by saying how it relates to present successful employees. Generally, this category is an extremely difficult factor to measure and consequently it is seldom used as a formal factor.

2. The Reliability and Validity of Selection Criteria

Any criteria used for selection, should be reliable and valid.

A. Reliability: Refers to a selection technique's freedom from systematic errors of measurement or its consistency under different conditions it is internally referenced. Reliability can be determined by correlating scores from two alternate forms of a selection device (for example, test or interview) if the scores are the same or similar, the test is said to yield reliable scores.

B. Validity: refers to the extent to which a score or measure is an accurate predictor success. It is externally referenced. Validity also measure how well scores relate to some other measure of behavior, such as job performance. There are various types of validity that the personnel/human resources management specialist should be familiar with. They include:

- A. content
- B .construct
- C. criteria

All the researchers (Flippo, 1984; Rao and Rao, 1990; Cole, 2002; DeCenzo and Robbins, 2003) agreed that there is no standard recruitment process that can be followed by all the organizations in all the areas. But organizations may follow different recruitment techniques or processes depending upon the size of the company, nature of the business, kind and number of persons to be employed, government regulations to be followed and the philosophy of the personnel management.

2.3 The process of recruitment and selection

Recruitment can be regarded as the process of attracting candidates in sufficient numbers and with appropriate skill-sets and encouraging them to apply for vacancies within the organization (Byars and Rue 1987; Cascio 1998; Carrell et al. 1999). Odiorne (1984) indicated that the quality of new recruits depends upon an organization's recruitment practice, and that the relative effectiveness of the selection phase is inherently dependent upon the caliber of candidates attracted.

Smith et al. (1989) argued that when the effective recruitment phase is performed, the definite assortment procedure becomes less important. When an organization hires to fill existing vacancies, the decision in the first stage of this process includes the detailed analysis done by the human resource management through different evaluations and looking at different technical and administrative skills. This may have been through the planning process of human resources especially in recruitment which is relatively common occurrence. According to Armstrong (2012), there are ten stages of recruitment and selection processes are:

1. **Defining requirements:** The number and categories of people required may be set out in formal workforce plans from which are derived detailed recruitment plans. Requirements are set out in the form of role profiles and person specifications. These provide the

information required to post vacancies on the company's website or the internet, draft advertisements, brief agencies or recruitment consultants and assess candidates by means of interviews and selection tests.

2. **Attracting candidates:** reviewing and evaluating alternative sources of applicants, inside and outside the company: advertising, e-recruiting, agencies and consultants. The following steps are required when planning how to attract candidates:
 - A. Analyze recruitment strengths and weaknesses the outcome of this analysis can be used to develop an employee value proposition and employer brand.
 - B. Analyze the requirement: what sort of person is needed?
 - C. Identify the potential sources of candidates.
3. **Sifting applications:** If recruitment agencies or consultants are used they will deliver their client a shortlist of candidates for interview. If not, the organization has to sift the applications itself. This means examining the information supplied by applicants, sorting them and drawing up a shortlist of applicants to be interviewed.
4. **Interviewing:** The interview is the most familiar method of selection. The aim is to elicit information about candidates that will enable a prediction to be made about how well they will do the job and thus lead to a selection decision. An interview involves face-to-face discussion. When it is an individual rather than a panel interview, it provides the best opportunity for the establishment of close contact – rapport – between the interviewer and the candidate, thus facilitating the acquisition of the required information about the candidate's suitability and how well he or she would fit into the organization.

There are a number of general types of employment interviews.

I) **Structured interview:** this type of interview allows an interviewer to prepare job related questions in advance and then complete a standardized interview evaluation form (Mathis and Jackson, 1997)

II) **Semi structured interview:** only the major questions to be asked are prepared in advance though the interviewer may also prepare some probing question in areas of inquiry.

III) **Unstructured interview:** This involves little preparation the interviewer prepares a list of possible topics to be incurred and sometimes does not even does that (ibid).

5. **Testing:** Selection tests are used to provide valid and reliable evidence of levels of abilities, intelligence, personality characteristics, aptitudes and attainments. Psychological or psychometric tests assess intelligence or personality. They use systematic and standardized procedures to measure differences in individual characteristics, thus enabling selectors to gain a greater understanding of candidates to help in predicting the extent to which they will be successful in a job. Psychological tests are measuring instruments; that is why they are often referred to as psychometric tests: “psychometric” means mental measurement. A good test has the following characteristics (Armstrong, 1988).

1. It is a sensitive measuring instrument which determines well between subjects.
2. It has been standardized on a representative and sizable sample of the population for which it is intended so that and individuals score can be interpreted in relation to that of others.
3. It is reliable always measure the same thing
4. It is valid in the sense that it measures the characteristics which the test is intended to measure.

6. **Assessing candidates:** Assessment centers assemble a group of candidates and use a range of assessment techniques over a concentrated period (one or two days) with the aim of providing a more comprehensive and balanced view of the suitability of individual members of the group.

7. **Obtaining references:** As part of the selection process applicants are required to submit references or recommendation letters (Ivancevich, 2004).It is conducted in order to verify basic information about the applicant’s qualifications.

- A. It involves contacting individuals who are listed as references to the applicants.
- B. Contain factual check on information provided by candidates and as a character reference.

8. **Checking applications:** It is a sad fact that applicants all too often misinform their prospective employers about their education, qualifications and employment record. It is always advisable to check with universities, professional institutes and previous employers that the facts given by applicants are correct.

9. **Offering employment:** The final stage in the selection procedure is to confirm the offer of employment after satisfactory references have been obtained, and the applicant has passed the medical examination required for pension and life assurance purposes or because a certain standard of physical fitness is required for the work. The contract of employment should also be

prepared at this stage.

10. **Following up:** It is essential to follow up newly engaged employees to ensure that they have settled in and to check on how well they are doing. If there are any problems it is much better to identify them at an early stage rather than allowing them to fester. Following up is also important as a means of checking on the selection procedure. If by any chance a mistake has been made, it is useful to find out how it happened so that the procedure can be improved.

2.4. Challenges of Recruitment and Selection

According to Kaplan and Norton, (2004) a common problem in recruitment and selection is poor HR planning. Rigorous HR planning translates business strategies into specific HRM policies and practices. This is particularly so with recruitment and selection policies and practices. The key goal of HR planning is to get the right number of people with the right skills, experience and competencies in the right jobs at the right time at the right cost. Detailed and robust recruitment and selection policies, such as recruitment and selection procedures, assessing criteria, talents auditing and processing the information about the labor market are important in recruiting and deploying appropriate employees at the right time. Past research shows that the competency level of HR managers has a major influence on recruitment and selection and experienced HR experts within the HR department will not only shorten vacancy duration, but also improve the quality of the applicants. Moreover, effective recruitment and selection is possible only if there is a dedicated and competent HR team (Kaplan and Norton, 2004).

In the strategy implementation phase, the extent of recruitment and selection strategic integration can be gauged through four distinctive indicators. These indicators are: the timely supply of an adequately qualified workforce, effective job analysis and descriptions, effective selection, and the involvement of line managers in the recruitment and selection practices. A key source of uncertainty in the business strategy implementation is whether there is a timely supply of adequate qualified people, and to a great extent this uncertainty involves the quality of employees. For instance, a firm might decide to leverage a different human capital pool in terms of skills and education level than its rival firms as a competitive strategy even within the same industry to develop specific capabilities or to develop a HR process advantage. An organization can successfully eliminate this uncertainty if its recruitment and selection policies and practices are strategically integrated with business (Whitmell Associates, 2004).

Effectively conducting job analysis and targeting right potential candidates ensures a good match

between applicants and the jobs. Argument has been given that under qualified employees may not be able to effectively perform their job positions due to lack of knowledge and competencies, while on the other hand over qualified employees tend to experience less job satisfaction due to their higher qualification than a desired level for a given job. For every job in the organization, a thorough job analysis, which includes job description and job specifications, is necessary and based on this, an appropriate selection criteria is vital. The job description provides indications of the duties to be undertaken, and the job specification usually prescribes relevant personal qualities and attitudes as well as skills and knowledge required for the job (Johnston, 1999).

A range of methods, such as application forms, interviews, formal tests, references, assessment centers and official transcripts are used by firms in the selection process. A firm needs to choose a method that is most appropriate to the job positions. HR experts generally drive the staffing process and the purpose of the staffing is to fulfill the requirements of business, and the skill levels presented by each new recruit is likely to be judged better if the line managers are involved in the recruitment and selection process. (Dess and Jason, 2001) suggest that in business strategy implementation the involvement of line managers in the entire staffing process (i.e., drafting of job descriptions, setting selection criteria and being on the panel of recruitment) is vital for ensuring recruitment and selection to meet business needs. In other words, the line managers are the owner of the recruitment and selection process along with HR playing a facilitator role.

Scholars have argued that other key issues and controversies run through analyses of human resource management and recruitment and selection: efficiency, control, and the difficulty of orienting practice towards social justice are often cited. The first two problematic, as (Burton, 2001) notes, have been central to the management of people for as long as managers have been present in organizations. The latter is also common across all organizations, but is a particular academic and policy concern for smaller or growing organizations (Burton, 2001). In recruitment and selection practice the construction of formalized selection frameworks and norms of acceptable discrimination may be seen as an attempt to enable managers to navigate between efficiency, control and social justice. In their advice on how to achieve the perfect fit of person, organization and job, they argue that selecting on the basis of managerial opinion is 'utterly unscientific and unreliable and that managers are 'liable to be turned this way and that by the most inconsequential of considerations'. In place of this unsatisfactory state of affairs, these

authors propose that physiognomy and the physical self-provide the key to ‘unlocking the inner secrets’ of the individual seeking employment, and therefore should inform the selection process. Managers are advised to assess nose, forehead, chin, habitual facial expression, digestion, skin texture, and elasticity of muscle as found in Blackford and Newcomb, 1914 early people management textbook. The underlying philosophy of this process is that everything about man indicates his character and as much information as possible should be collected to inform a decision - their list also includes religious belief and marital status. Taking heredity and environment as bases for granting or denying access to an organization and job is now legally unacceptable. The argument presented by Blackford and Newcomb (2002), particularly in relation to skin, color and its predictive properties, could be seen as a product of its time and place. However, it is important to note that the study is based on what was then seen as a sound scientific set of ideas and tests, which proved the premises underlying the suggested practice.

Recruitment may be conducted internally through the promotion and transfer of existing personnel or through referrals, by current staff members, of friends and family members. Where internal recruitment is the chosen method of filling vacancies, job openings can be advertised by job posting, that is, a strategy of placing notices on manual and electronic bulletin boards, in company newsletters and through office memoranda. Referrals are usually word-of-mouth advertisements that are a low-cost-per-hire way of recruiting. Internal recruitment does not always produce the number or quality of personnel needed; in such an instance, the organization needs to recruit from external sources, either by encouraging walk-in applicants; advertising vacancies in newspapers, magazines and journals, and the visual and/or audio media; using employment agencies to “head hunt”; advertising on-line via the Internet; or through job fairs and the use of college recruitment.

The Relationship between Recruitment and Selection and Organizational Performance.

The effective recruitment and selection of employees is a fundamental HRM activity, one that if managed well can have a significant impact on organizational performance as well as lead to a more positive organizational image, recruitment and Selection are vital processes for a successful organization, having the right staff can improve and sustain organizational performance.

Also, effective recruitment and selection is central and crucial to the successful functioning of the organization as it depends on finding people with the necessary skills, expertise and

qualifications to deliver the organization's strategic objectives and the ability to make a positive contribution to the values and aims of the organization, Sisson (1994).

On the other hand, better recruitment and selection strategies result in improved organizational outcomes. The more effectively organizations recruit and select candidates, the more likely they are to hire and retain satisfied employees. In addition, the effectiveness of an organization's selection system can influence bottom-line business outcomes, such as productivity and financial performance. Hence, investing in the development of a comprehensive and valid selection system is money well spent Hall and Torrington (1998). Recruitment, as a human resource management function, is one of the activities that impact most critically on the performance of an organization. Recruitment and selection also has an important role to play in ensuring worker performance and positive organizational outcomes. It is often claimed that selection of workers occurs not just to replace departing employees or add to a workforce but rather aims to put in place workers who can perform at a high level and demonstrate commitment.

Recruitment and selection play a pivotally important role in shaping an organization's effectiveness and performance, if work organizations are able to acquire workers who already possess relevant knowledge, skills and aptitudes and are also able to make an accurate prediction regarding their future abilities, recruiting and selecting staff in an effective manner can both avoid undesirable costs for example those associated with high staff turnover, poor performance and dissatisfied customers and engender a mutually beneficial employment relationship characterized, wherever possible, by high commitment on both sides. Pilbeam and Corbridge, (2006) provide a useful overview of potential positive and negative aspects noting that: The recruitment and selection of employees is fundamental to the functioning of an organization, and there are compelling reasons for getting it right. Inappropriate selection decisions reduce organizational effectiveness, invalidate reward and development strategies, are frequently unfair on the individual-recruit and can be distressing for managers who have to deal with unsuitable employees. Recruiting and selection is very important for the survival of every organization but that does not end there, new recruits need to be developed and appraised from time to time in order for them to be abreast with new trends and challenges. When employees are developed it help increase their performance and help sustain the growth of organizations.

2.5 Organizational performance

Organizational performance can be defined as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors (Armstrong and Baron, 2004). Luo et al. (2012) who conducted a meta-analysis of organizational performance suggested that it should be measured in economic and operational terms:

- A. The **economic performance** looks at financial and market outcomes which assess the profits, sales, return on investment for shareholders, and other financial metrics.
- B. The **operational performance**, on the other hand, focuses on the observable indices like customer satisfaction and loyalty, the firm's social capital, and competitive edge derived from capabilities and resources.

Organizational performance is measured for different levels of hierarchy and can be assessed for individuals, groups, and the entire organization as a whole (Knies, Jacobsen and Tummers, 2016). A systematic literature review of 213 studies published in reputed journals over a period of only three years (2006-09) revealed 207 different measures used for assessing performance (Richard et al., 2009). Eventually, the researchers settled on a multi-dimensional construct of organizational performance with financial performance, product market performance, and shareholder return forming three crucial aspects.

2.6 Empirical Literature Review

In this section empirical evidence supporting the recruitment and selection practices on organizational performance has been presented. However, only few studies are undertaken, of which most of them are not on the banking industry. Much research has been carried out showing that good HRM practice and firm performance are correlated; notable examples in the UK are Guest et al (2000), Patterson et al (1997), Purcell et al (2003), Thompson (2002) and West et al (2002). Many empirical studies were carried out and found recruitment and selection as strong predictor of OP.

Pfeffer (1998) in seven practices of successful organizations research indicates that, selective hiring is positively related to OP.

Emelia Ohene Afriyie (2013) studied effect of recruitment and selection practices on the performance of small and medium Hotels of Osu Klottey sub-Metropolitan assembly of greater

Accra, the researcher employed 200 questionnaire were distributed, interview and conversational schedule for the study. He was found out that the relationships between the hotels' performance and the recruitment and selection practices were statistically significant at alpha (α) = 0.05. These indicate there are positive influences or impact of the recruitment procedures and the selection processes on the hotels' performances.

Alsughayir (2014) in Asian context, specifically in Saudi Arabian organizations with 270 samples got 92.9% respond rate, SEM techniques were used in the data analysis, the result found recruitment and selection positively significant to OP.

Beh and Loo (2013) in Asian context, specifically in Malaysian insurance companies 312 samples were used in SPSS tool for multiple regression analysis considered in testing the relationship between recruitment and selection and OP, result confirmed that recruitment and selection positively related to OP.

Similarly, the study conducted by Chand (2010) in Indian hotel a quantitative approach with total of 439 samples using SPSS technique, result of the study revealed that recruitment and selection were found positively related to performance.

Several individual staffing practices have been found to be positively associated with various measures of firm performance. For example, a study by David Terpstra and Elizabeth Rozell, A composite selection index was developed for all of these techniques Terpstra and Rozell surveyed over 200 firms in order to determine the relationship between these selection techniques and the following measures of firm performance: annual profit, growth in profit over 28 a five-year period, growth in annual average sales over a five-year period, and a composite or overall performance measure. The study did not use actual accounting data but instead asked respondents to report profit, profit growth, and sales growth in terms of percentage ranges.

Nonetheless, these measures correlated highly with accounting data obtained for a subsample of over 60 of the firms in the survey. The results of the study provide strong evidence that these selection tools can have a positive impact on firm performance.

The Delaney and Huselid, *The Impact of Human Resource Management Practices on Perceptions of Organizational Performance* the study examined selective staffing through analysis of perceptual measures of the organizational performance. For organizations in the for-profit sector of the survey, staffing selectivity was significantly related in a positive direction to organizational performance

2.7 Conceptual framework

Recruitment and selection is characterized finally by potential difficulties and it is necessary to keep abreast of developments in research in this field. One of the assets of every organization is its employees. To engage and employee's services the employer needs to undertake recruitment by creating a pool of applicants, which mainly leads to the selection of qualified people to work in the organization. Recruitment and selection also has an important role to play in ensuring worker performance and positive organizational outcomes. There are two independent variables which are recruitment practice and selection practice and a dependent variable which is organizational performance. Based on the analysis of the literature, a conceptual framework that is presumed to be appropriate for organization has been developed a conceptual framework is proposed to clarify the relationship between HRM practices and organizational performance.

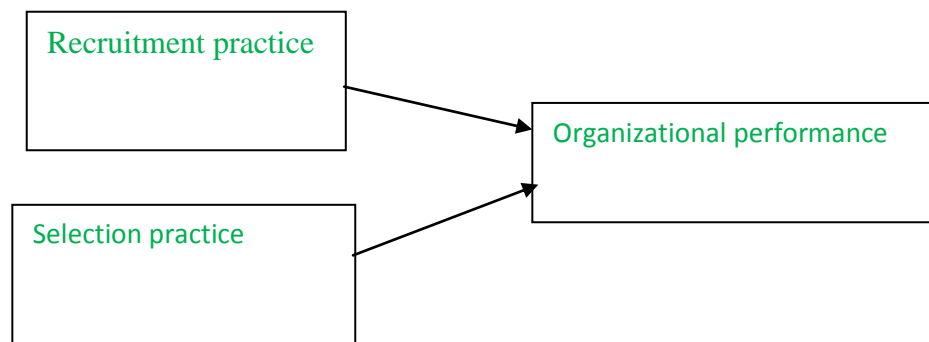


Figure 2.7 conceptual framework

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section provides an overview of the research methodology used to achieve the research objectives. It includes topics like research design, sample and sampling techniques, data collection methods and tools, and data analysis methods. And also the review of the study ethical issues, as well as validity and reliability are addressed.

3.2 Research Design and Research Approach

According to John (2007), Research design is the blueprint for fulfilling research objectives and answering research questions. In other words, it is a master plan specifying the methods and procedures for collecting and analyzing the needed information. In order to meet this study's objectives, explanatory or causal research design was used. The approach involves collecting data that represents events and then organizing, tabulating, depicting, and describing the data. For the purpose of this study quantitative data was utilized.

3.3 Target population

The target populations of the study were akaki *kality* sub city employees who are working both in the sub city and its *woredas*. According to Human resource management office their number is about 3596.

3.4 Survey population

The survey populations of this study are the employees of *akaki kality* sub city. Among the 11 sub cities in Addis Ababa the researcher purposively selected *akaki kality* sub city. Indeed, from the 13 *woredas* in the sub city, 2 *woredas* were selected purposively indeed. The rationale behind selecting these two *woredas* is having in mind the report of the sub city's human resource management department, 2020; the *woredas* were encountering many problems in recruitment and selection than the remaining *woredas* in the sub city. In order to advance the research work, an attempt was made to incorporate relevant samples from target group of the study.

3.5 sampling design

3.5.1 Sample size determination and allocation

In order to obtain reliable and unbiased population estimates, a representative sample size is necessary. As a result, the representative *woredas*' size and respondents' size out of 3 target area

(which is the sub city itself and its 2 *woredas*) 254 employees were selected by using Yamane's (1967) formula. Here, the calculation was demonstrated as follows.

Sample size determination and allocation for employees

$$n = \frac{N}{(1 + N * e^2)}$$

Where, *N* is survey population size, *n* is sample size without considering response error, *e* is desired margin of error. Here desired margin of error value at 95% confidence level (± 0.05) is used to determine the sample size.

$$n = \frac{N}{(1 + N * e^2)} = \frac{700}{(1 + 700 * (0.05)^2)} = 254$$

3.5.2 Sample Size Allocation

Table 3.5.2 Sample size allocation

<i>The sub city and its selected woredas</i>	Survey population(<i>S_i</i>)	Sample size of all employees($\frac{n}{N} * S_i$)
<i>sub city</i>	380	$254/700 * 380 = 138$
<i>Woreda 1</i>	150	54
<i>Woreda 3</i>	170	62
	700	254

3.6 Data sources

The study consumed both primary and secondary data sources. The primary data was collected from employees who are working currently in the sub city and its selected *woredas*. The secondary data was obtained through the detailed analysis of review of the related literature from relevant reports, journal articles and books. Questionnaires were used to gather primary data from a representative sample of employees. Indeed, closed-ended questionnaires were developed.

3.7. Method of the data collection

The primary data collection instrument in this study was a questionnaire. Because, questionnaire is essential component of the data collection process. Furthermore, the questionnaire is structured to achieve survey objectives based on questionnaire design requirements in order to collect information in such a way that survey respondents understand the questions and can easily provide the correct answers in a manner that is appropriate for subsequent data collection and analysis. To make the study quantitative, clear, and reliable, the same questionnaire with five

point standardized likert scale questionnaire ranging from 1=strongly disagree to 5=strongly agree was developed for the sub city and its selected *woredas*.

3.8 Data analysis method

To solve the problems of incompleteness and inconsistency as well as related problems; the collected data was critically edited and coded. The inter-dependency and effect of variables was analyzed by Correlation analysis and regression analysis, respectively. The data was also analyzed quantitatively by using percentage, frequency, and mean score and displayed in the tables and figures with the guidance of SPSS computer software version 23. After the data was analyzed and discussed, finally the recommendation was drawn based on findings of the study.

3.9 Reliability and validity

According to Faux (2010), validity determines whether the research truly measures that which it was intended to measure. Thus validity measures how truthful the research results are or the extent to which scores truly reflect the underlying variable of interest. The thesis would seek expert judgment from superiors to verify and improve the value and content of research data collection instruments in order to assess the validity of the questionnaires. Any argument in the questionnaire that is considered to be vague in terms of eliciting pertinent information was updated and restructured.

Reliability is one of the major criteria for evaluating research instruments. According to Lombard (2010), Coefficients of .90 or greater are nearly always acceptable, .80 or greater is acceptable in most situations, and .70 is appropriate. A Chronbach's alpha score within 0.7 ranges are considered acceptable. To assure validity to the research, the researcher will use Cronbach's Alpha test. The result of the test was obtained by using SPSS version 23.

Table 3.9 reliability and validity

variables	Number of items	Cronbach's alpha test
Recruitment practice	4	.706
Selection practice	4	.762
Organizational performance	4	.748

Source: Survey Result, 2021

3.10 Ethical consideration

To ensure that the study is ethical, all appropriate precautions was taken. Respondents are not asked to write their names and are told that their comments will be handled in strict secrecy in order to maintain the confidentiality of the data provided by respondents. The aim of the study was revealed in the questionnaire introduction.

They were informed that the information they give through the questionnaire will be used only for scholarly research purposes and will be kept strictly confidential. They were also told that their identity will be kept secret for the purposes of research. In addition, the researcher avoided making misleading or deceptive claims in the questionnaire.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

The data from questionnaires are analyzed and discussed in this chapter. In addition, the demographic characteristics of employees are briefly discussed to provide basic details about respondents who took part in this study.

4.2 Response Rate

Response rate of this study allows readers to understand how many questionnaires were distributed, how many were returned and what the overall rate of responses to the survey was. Therefore, in order to collect the required data, the researcher had distributed 254 questionnaires for the sub city and its selected *woredas*. From the distributed questionnaires 241 questionnaires were returned and the remaining 13 questionnaire was not returned. Therefore, the response rate to this study is 95%.

4.3 Demographic characteristics of the employees

The first part of the questionnaire contains the demographic characteristics of the respondents. Thus, analysis of the demographic characteristics of the respondents is presented by using bar chart. Though detailed elaboration of the demographic factor was not the main concern of this study, the study presented personal and professional information of respondents including sex, age, educational level, and work experience which are presented below.

Table 4.3 Demographic Characteristics of Respondents

Item	Categories	Frequency	Percent	Valid Percent
Gender	Male	154	63.9%	63.9%
	Female	87	36.1%	36.1%
	Total	241	100%	100%
Age	18 - 28 years	16	6.6%	6.6%
	29 - 39 years	57	23.7%	23.7%
	40 - 50 years	78	32.4%	32.4%
	51 years and above	90	37.3%	37.3%
	Total	241	100%	100%
level of education	certificate	-		
	diploma	148	61.4%	61.4%
	Bachelors degree	73	30.3%	30.3%

	masters Degree	20	8.3%	8.3%
	PhD	-		
	Total	241	100%	100%
Experience	Less than 5 years	95	39.4%	39.4%
	6 - 10 years	102	42.3%	42.3%
	11 - 15 years	28	11.6%	
	16 years and above	16	6.6%	6.6%
	Total	241	100%	100%
Working place	The sub city	131	54.4%	54.4%
	Woreda 1	51	21.2%	21.2%
	Woreda 3	59	24.5%	24.5%
	Total	241	100%	100%

The first item in the above table illustrates the respondent's characteristics in terms of sex. From the table above it is easy to understand the following facts. The majority of the respondents from the survey population were male with 63.9 % (154) of the total sample size. The remaining 36.1% (87) were females. This shows the participation of females was dominated by male respondents.

The second item in the above table pointed out the age group of the respondents. In this regard, the majority of the respondents 90 (37.3%) were between the ages of 51 and above, indicating that the sub city has mature and seasoned employees who are nearing retirement and finding it difficult to cope with new technologies. Following 78 (32.4%) of the respondents were found in the age interval of 40-50 and 57 (23.7 %) of the respondents were found in the age interval of 29-39 whereas the remaining 16 (6.6%) of the respondents fell under the age category of 18-28.

The educational level of the respondents is depicted in table 4.3. According to their educational level, 148 (61.4%) of respondents have a diploma, while 73 (30.3%) have a bachelor's degree. The remaining 20 respondents (8.3%) have a master's degree. This demonstrates the need for the sub city to recruit highly qualified workers, as it is the desire of every organization to have employees with higher academic status, as they can play a significant role in organizational success.

In terms of respondents' work experience, as seen in the above table, the majority of respondents 102 (42.3 %) have work experience in the range of 6 - 10 years. Following 95 (39.4

) have work experience less than 5 years. The remaining 28 (11.6%) and 16 (6.6 %) have work experience ranging from 11 to 15 years and 16 years and above, respectively. This indicates that the sub city has well-experienced personnel

Table 4.3 in the fifth order represents the workplace of the respondents, 131 (54.4%) of respondents work in the sub city. The remaining 51(21.2%) and 59 (24.5%) of the total respondents' works in *woreda* 1 and *woreda* 3, respectively. This can be concluded as the majority of the respondents are represented in the sub city.

4.4 Analysis of Recruitment Practice, selection practice and organizational performance

4.4.1 Analysis of Recruitment Practice

4.4.1.1 Announcement Methods for Vacancies

Table 4.4.1.1 Announcement Methods for Vacancies

How did you hear about the vacancy of your current position in the sub city?

	Frequency	Percent	Valid Percent	Cumulative Percent
promotion	72	29.9	29.9	29.9
Magazine	137	56.8	56.8	86.7
transfer	32	13.3	13.3	100.0
Total	241	100.0	100.0	

Source: Survey Result, 2021

As shown in table 4.4.1.1, 56.8% of respondents received vacancy details from a magazine, 29.9% from a promotion, and 13.3% from a transfer notice in the organization. This means that the majority of respondents believe that magazines are a common source of vacancy announcement.

4.4.1.2 Recruitment Sources

Table 4.4.1.2 Source of recruitment

How did you get this position?

	Frequency	Percent	Valid Percent	Cumulative Percent
external vacancy	145	60.2	60.2	60.2
Promotion	37	15.4	15.4	75.5
Transfer	59	24.5	24.5	100.0
Total	241	100.0	100.0	

Source: Survey Result, 2021

According to Table 4.4.1.2, 60.2% of respondents said they got their new position with an external vacancy, 15.4% got it through a promotion, and 24.5% got it through a transfer. We can deduct from this that the organization hire workers on a competitive basis.

Table 4.4.1.3 Analysis of Recruitment Practice

No	Recruitment practice	Response type					Mean	
		Strongly disagree	disagree	Neutral	Agree	Strongly Agree		
1	Akaki kality sub city has a formal written policy to guide the overall recruitment and selection functions	Frequency	10	63	94	51	23	3.06
		Percent	4.1%	26.1%	39%	21.2%	9.5%	100%
2	In the sub city, jobs and vacancies are often made available to the general public.	Frequency	26	37	114	25	39	3.06
		Percent	10.8%	15.4%	47.3%	10.4%	16.2%	100%
3	Adequate and relevant information about the organization and job is provided to the candidate at the time of recruitment.	Frequency	-	38	114	76	13	3.27
		Percent	-	15.8%	47.3%	31.5%	5.4%	100%
4	The sub city considers existing employees first for filling vacant positions	Frequency	12	87	72	43	27	2.94
		Percent	5%	36.1%	29.9%	17.8%	11.2%	100%
5	The requirement mentioned in the job announcement match with what is actually required	Frequency	-	113	52	51	25	2.95
		Percent	-	46.9%	21.6%	21.2%	10.4	100%
6	The sub city's recruitment criteria are	Frequency	12	90	38	63	38	3.10

	proportional with my education and vocational skill.	Percent	5%	37.3%	15.8%	26.1%	15.8%	100%
7	I am satisfied with the actions I observe at recruitment time	Frequency	-	113	39	64	25	3.00
		Percent	-	46.9%	16.2%	26.6%	10.4%	100%
	Grand mean							3.05

The first item in the above table shows the majority (39%) of the respondents are neutral about the organization having a written policy to guide the overall recruitment and selection functions. 26.1% of them disagreed while 4.1% strongly disagree. The remaining 21.2% and 9.5% lied in agree and strongly agree, respectively.

In the second item which is about the organization making jobs and vacancies available to the general public, 47.3% of the respondents are neutral about it. While 16.2% of them strongly agreed, 15.4% and 10.8% of the total respondents selected disagree and strongly disagree. The remaining 10.4% has agreed that jobs and vacancies are often made available to the general public.

The third item which is about the organization filling the candidates with adequate and relevant information about the job and the organization itself in the time of recruitment has got the majority of the respondents with 47.3% in neutral position. 31.5% of them agreed and the remaining 15.8% and 5.4% disagreed and strongly agreed, respectively.

The fourth item about the sub city considering its own existing employees first for vacant positions have had 36.1% of the total respondents disagreed and 5% strongly disagreed. 29.9% of the respondents are neutral about it and the remaining 17.8% and 11.2% lied in agree and strongly agree, respectively. The majority of the respondents believe that the sub city does not consider the existing employees first when there is an open position to fill.

On the fifth order of the table attempting to see the respondents perspective if the requirement mentioned in the job announcement match with what is actually required, the majority respondents with 46.9% disagreed. 21.6% of them are neutral about it while the 21.2% of them agreed. The remaining 10.4% strongly agreed. From this we can deduct that the actual requirement of the job versus what is mentioned in the announcement are not the same.

The sixth item in the table shows that from the total of the respondents 37.3% has disagreed that their education and vocational skills are not the same with the sub city's recruitment criteria. They claim that their current job is not what they trained for. 5% of the respondents strongly disagreed and 15.8% of them are neutral. The remaining 26.1% and 15.8 have agreed and strongly agreed, respectively.

The final item in the table is about respondents' general satisfaction with the actions they observed at recruitment time which gave the output of the total respondents disagreeing with 46.9%. Respondents who are neutral about it are 16.2% of the total respondents. The remaining 26.6% and 10.4% of them agreed and strongly agreed, respectively. This shows the sub city's recruitment practices are not satisfying according to the majority of the respondents.

Generally, as the grand mean score shows in the above table, the recruitment practice of the sub city is found to be weak with a mean score of 3.06. According to (Zaidaton & Bagheri, 2009) a Mean score < 3.39 is considered as low, a mean score from 3.40 - 3.79 is considered as moderate and mean score > 3.8 is considered as high as illustrated by comparison bases of mean of score of five-point Likert scale instrument.

4.4.2 Analysis of selection Practice

4.4.2.1 Dissatisfaction with the selection process

Table 4.4.2.1 Dissatisfaction with the selection process

At which selection process were you not happy?

	Frequency	Percent	Valid Percent	Cumulative Percent
Paper based application (CV, application letter)	14	5.8	5.8	5.8
Interview – 1st level	93	38.6	38.6	44.4
Interview – 2nd level	22	9.1	9.1	53.5
Paper Examination	112	46.5	46.5	100.0
Total	241	100.0	100.0	

Source: Survey Result, 2021

Paper examination receives the highest percentage (46.5 %) of total respondents in the table above. The percentages for the first and second level interviews are 38.6% and 9.1%, respectively. The final item, paper-based application (CV, application letter), accounts for 5.8% of the total. It is easy to conclude from this that the majority of respondents find the organization's practice of selection in the course of paper examination to be unpleasant.

4.4.2.2 Written test condition

Table 4.4.2.2 Written test condition

During written test do you think all the necessary conditions such as: enough time, good environment and clear questions are fulfilled?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	101	41.9	41.9	41.9
no	140	58.1	58.1	100.0
Total	241	100.0	100.0	

Source: Survey Result, 2021

As shown in table 4.4.2.2, 41.9 % of respondents said the necessary conditions are met, while the remaining 58.1 % said the conditions are not met. From this it is easy to deduct that during a written test the necessary conditions are not met.

Table 4.4.3.3 Analysis of Selection Practice

No	Selection practice	Response type					Mean	
		Strongly disagree	disagree	Neutral	Agree	Strongly Agree		
1	The selection is made with proper preparation and considerable time	Frequency		102	76	13	50	3.05
		Percent		42.3%	31.5%	5.4%	20.7%	
2	The selection criteria of the organization are not transparent	Frequency		37	114	38	52	3.44
		Percent		15.4%	47.3%	15.8%	21.6%	
3	The overall selection practice of the organization is satisfactory	Frequency		114	38	76	13	2.95
		Percent		47.3%	15.8%	31.5%	5.4%	
4	Selection questions were appropriate to measure the knowledge, skills and abilities that are required for the open	Frequency	5	87	65	50	34	3.09
		Percent	2.1%	36.1%	27%	20.7%	14.1%	

	position							
5	The sub city provides equal employment opportunity for all regardless of gender, race, ethnic group and religion.	Frequency	13	126	39	38	25	2.73
		Percent	5.4%	52.3%	16.2%	15.8%	10.4%	100%
6	The selection practice of the organization leads to the employment of competent staff	Frequency	12	90	38	63	38	3.10
		Percent	5%	37.3%	15.8%	26.1%	15.8%	100%
	Grand mean							3.06

In the table above the first item is about respondents' perception if the selection is made with proper preparation and considerable time. And the result shows 42.3% of the total respondents has disagreed. 31.5% of the total respondents are neutral about it and 5.4% agreed. The remaining 20.7 % strongly agreed. This reveals that the sub city does not pay much attention for the selection practice.

The second item is asking respondents if the organization's selection criteria are not transparent. The majority of the respondents (47.3%) are neutral about it. The 21.6% of them strongly agree and 15.8% agree. The remaining 15.4% of the total respondents disagree that the selection criteria of the organization are not transparent.

The third item in the table asks the respondents about their overall satisfaction on the selection practice of the organization. And the results showed 47.3% of the total respondents disagree that the organization's selection practice is satisfactory. The neutral respondents are 15.8%. The remaining 31.5% and 5.4% of them sided with agree and strongly agree, respectively. This shows the selection practice of the sub city is not satisfying.

In the fourth item of the table it has been asked about the selection questions measuring the knowledge, skills and abilities that are required for the open position. From the total respondents 36.1% has disagreed that the selection questions are appropriate to measure the knowledge, skills and abilities of the candidates that are required for the open position while 2.1% strongly disagreed. 27% of them are neutral while the remaining 20.7% and 14.1% of the respondents agree and strongly agree, respectively. This shows the selection questions are not relevant to measure the required knowledge, skills and abilities of the candidates.

The fifth item in the table is about the sub city providing equal employment opportunity for applicants regardless of gender, race, ethnic group, religion. And the outcome from the total respondents showed 52.3% disagree and 5.4% strongly disagree. The 16.2% of them are neutral while the remaining 15.8% and 10.4% agree and strongly agree, respectively. From this we can easily deduct that there is a discrimination in the sub city.

The last item in the above table asks whether the selection practice of the organization leads to the employment of competent staff. As the results inducted 37.3% of the respondents disagree that the selection practice of the organization leads to the employment of competent staff. 5% of them strongly disagree while the remaining 26.1% and 15.8% agree and strongly agree.

Generally, as the grand mean score shows in the above table, the selection practice of the sub city is found to be weak with a mean score of 3.06.

4.4.3 Analysis of organizational performance

Table 4.4.3 Analysis of Organizational performance

No	Organizational performance		Response type					Mean
			Strongly disagree	disagree	Neutral	Agree	Strongly Agree	
1	Customers are satisfied with the service of the sub city	Frequency		113	39	64	25	3.00
		Percent		46.9%	16.2%	26.6%	10.4%	
2	We respond to customers' needs better than other sub cities	Frequency	13	77	102	49		2.78
		Percent	5.4%	32%	42.3%	20.3%		100%
3	Customers are satisfied because services are delivered in a timely manner.	Frequency	13	115	64	49		2.62
		Percent	5.4%	47.7%	26.6%	20.3%		100%
4	The sub city is Committed to keep the customers satisfied with quality services	Frequency	13	116	75	37		2.56
		Percent	5.4%	48.1%	31.1%	15.4%		100%
5	Customers can conveniently obtain the services they need.	Frequency		102	64	62	13	2.94
		Percent		42.3%	26.6%	25.7%	5.4%	100%
	Grand mean							2.78

The first item in the above table is asking the respondents if the customers of the sub city are satisfied in the service of the sub city. Among them 46.9% disagree. 16.2% of them are neutral about it and 26.6% agree. The remaining 10.4% of them strongly agreed. The result shows the majority of the respondents disagree that their sub city's service satisfies the customers.

The second item in the table asks the respondents if their sub city respond to customers' needs better than other sub cities. The majorities (42.3%) are neutral and 32% of them disagreed. While 20.3% agreed the remaining 5.4% strongly disagreed.

The third item is about customers being satisfied because they are served in the sub city in a timely manner. 47.7% of the respondents disagreed claiming customers do not get the service they request in a timely manner. 5.4% strongly disagree. The remaining 26.6% and 20.3% are neutral and agreed, respectively. This reveals that the sub city does not provide a fast services.

In the fourth order of the table a result from a question asking if the sub city is committed to keep the customers satisfied with quality services. It has 48.1% of the respondents disagreeing while 5.4% strongly disagree. The remaining 31.1% and 15.4% are neutral and agreed, respectively. This shows that the sub city more focused on delivering the services than how they are delivered.

The final item is asking respondents' perspective on customers can conveniently obtaining the services they need and 42.3% of the respondents disagreed. 26.6% of them are neutral. The remaining 25.7% and 5.4% agreed and strongly agreed, respectively. From this we can understand customers cannot obtain the service they need conveniently.

Generally, as the grand mean score shows in the above table, the organizational performance of the sub city is found to be weak with a mean score of 2.78.

4.5 Correlation analysis

Correlation measures the extent of correspondence between the ordering of two random variables. In this study it measures the extent of recruitment and selection on organizational performance. The researcher used of the linear product-moment correlation coefficient, also known as Pearson's correlation coefficient (r), to express the strength of the relationship. The value of r always lie in between -1 and 1 inclusive, that is, $-1 \leq r \leq 1$. If Y & X two variables and Y increase when X increases, we say that there is positive or direct correlation between them. However, if Y decreases when X increases (or vice versa), then we say that they are negatively or inversely correlated. The reader must have noticed that direct and inverse are terms that are used in the context of variation or proportionality. The extreme values of r , that is, when $r = \pm 1$, indicate that there is perfect (positive or negative) correlation between X and Y . However, if r is 0 , we say that there is no or zero correlation. Note When $r = 0$, we may not assert that there is no

correlation at all between X and Y. Pearson’s correlation coefficient is meant to measure linear relationship only. It should not be used in the case of non-linear relationships since it will obviously lead to an erroneous interpretation.

Table 4.5 correlation analysis

Correlations		Recruitment practice	selection practice	Organizational performance
Recruitment practice	Pearson Correlation	1	.651**	1.000**
	Sig. (2-tailed)		.000	.000
	N	241	241	241
selection practice	Pearson Correlation	.651**	1	.651**
	Sig. (2-tailed)	.000		.000
	N	241	241	241
Organizational performance	Pearson Correlation	1.000**	.651**	1
	Sig. (2-tailed)	.000	.000	
	N	241	241	241

** . Correlation is significant at the 0.01 level (2-tailed).

As it is shown in the above table recruitment and selection practice is positively related to the dependent variable of organizational performance with a Pearson correlation coefficient of recruitment practice 1.000** ($r=1.000^{**}$) and significance value is less than 0.001, selection with a Pearson correlation coefficient of .651** and significance value of less than 0.001. This significance tells us there is a strong positive relationship between the dependent variable (organizational performance) with the independent variable (recruitment and selection) practice.

4.6 Multiple Regression Assumptions

4.6.1 Multi-collinearity Test

Multicollinearity, according to Field (2005), is when two or more independent variables are highly connected. Multicollinearity is present in most studies to some extent, however as long as the correlation coefficient between any two variables is not too large, the assumption of

multicollinearity can be ignored (Pedhazur 1997). If the correlation coefficient between independent variables is larger than 0.9, there is grounds for concern (Field, 2005). There is cause for concern if the greatest Variance Inflation Factor (VIF) value is larger than 10. (Field, 2005). The cut-off level for high multicollinearity in this investigation was VIF. Measuring tolerance values is another technique to determine multicollinearity. There is almost certainly a serious collinearity problem if the tolerance value is less than 0.1. (Hair et al., 1998; Field, 2005). To put it another way, tiny tolerance values indicate significant collinearity.

Table 4.6.1 multicollinearity test

Model		Collinearity Statistics	
		Tolerance	VIF
1	Recruitment practice	.983	1.018
	Selection practice	.983	1.018

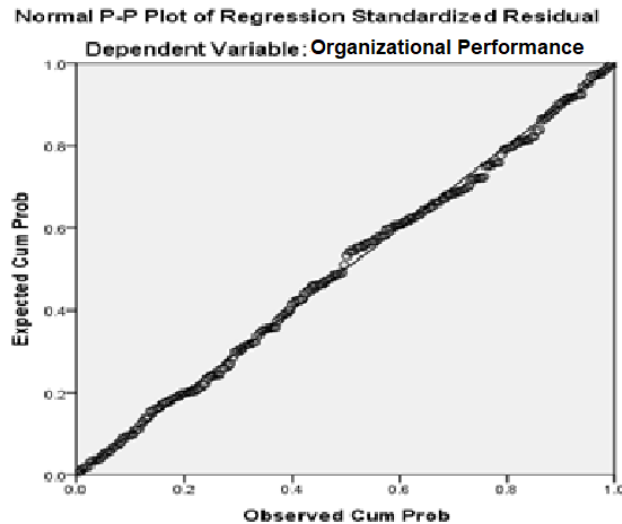
a. Dependent Variable: Organizational Performance

As it is shown in the above table there is no a multi-collinearity problem.

4.6.2 Normality Test

The normality test is used to see if the data used for the residuals is normal, and therefore if this assumption is met in the data for statistical testing. Visual examination or statistical tests might be used in the approaches. Examines the probability plot and determines how closely the data points follow the fitted distribution line when visualizing the fit of the normal distribution. Normal distributions tend to follow the straight line closely. The residuals in the below figure appear to be normally distributed, which suggests the model is free of normality problems, as validated by visual inspection of the Normal p-p plot result from SPSS 23.

Figure 4.6 Normality Test



Source: spss output

4.7 Multiple Regression

Multiple regressions were used in this investigation. The primary goal of using multiple regression equations in this study is to improve the study's ability to describe, interpret, and forecast the variables. That is, it was primarily used in this study to determine the impact of recruitment and selection practices on organizational performance. Before running the regression, the basic assumptions of normality and multicollinearity are tested.

Table 4.7 model summary

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.733	.641	.632	.41344

a. Predictors: (Constant), Recruitment practice, Selection practice

b. Dependent Variable: Organizational Performance

Table 4.7 clearly shows the value of R and R^2 . In this analysis the value 0.733 which is a measure of the correlation between the observed value and the predicted value of the dependent variable (organizational performance). Whereas R Square (R^2) is the square of this measure of correlation and indicates the proportion of the variance of organizational performance with the existence of the recruitment and selection variables.

Hence, R Square = 0. 641 implies that 64.1% of organizational performance is explained by recruitment and selection. In essence, this is a measure of how good a prediction of the dependent variable we can make by knowing independent variables. This implies that 63.2% of the variance in the dependent variable is explained by the independent variables in the model. The model also indicates that, the remaining 36.8% of the variance can be explained by other variables out of this model and indicates that further research might be needed for this.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of the findings

The study aimed to examine the effect of recruitment and selection on organizational performance in the case of *akaki kaliti* sub city. In order to achieve the general and specific objectives of the study, different questions were raised in relation of the study variables. The data was collected from the sub city and its selected *woredas* purposely. The respondents' size was calculated by using Yamane's (1967) sample size formula and their number is 254. The results were found and analyzed by using statistical methods and tools. The relation of variables was analyzed by using Pearson's correlation analysis. Therefore, based on the analyzed data the following major findings were drawn.

- A. About the current recruitment practice, 56.8% of the respondents received vacancy details via magazine. This shows that magazine is the sub city's major vacancy announcement method to attract candidates from external source. For internal sources promotion is usually used.
- B. The sub city majorly hires from external. Promotion and transfer are the second and third mostly used methods of recruitment.
- C. The result showed the majority (36.1%) of the respondents revealed that the sub city does not consider the existing employees first for vacant positions.
- D. The majority of the respondents disagreed that the sub city's recruitment criteria are proportional with their educational and vocational skill.
- E. During the selection process 46.5% of respondents were not happy on the paper examination. Indeed, the majority of respondents stated that the necessary conditions were not met. The questions usually are not appropriate to measure the knowledge, skill and abilities of the candidates.
- F. The selection criteria of the sub city are not transparent according to the majority of the respondents. They disagree that the sub city provides equal employment opportunity for all regardless of gender, race, ethnic group and religion.
- G. The majority of the respondents find it hard to say the selection practice of the organization leads to the employment of competent staff.

- H. Regarding the organizational performance, the researcher selected customer satisfaction to measure the performance of the sub city. The majority of the respondents in the sub city do not believe customers are satisfied with the service of the sub city.
- I. The sub city does not deliver services in a timely manner and that disappoints customers according to the majority of the respondents.
- J. The respondents were asked whether the sub city is committed to keep the customers satisfied with quality services and the majority of them disagreed. The sub city is not more concerned about how the services are delivered.
- K. The inter-dependency of variable was also tested through Pearson's correlation analysis. The independent variables recruitment and selection practice is positively related to the dependent variable of organizational performance with a Pearson correlation coefficient of recruitment practice 1.000** ($r=1.000^{**}$) and significance value is less than 0.001, selection with a Pearson correlation coefficient of .651** and significance value of less than 0.001. This significance tells us there is a strong positive relationship between the dependent variable (organizational performance) with the independent variable (recruitment and selection) practice.
- L. From the regression analysis R Square = 0. 641 implies that 64.1% of organizational performance is explained by recruitment and selection practice. In essence, this is a measure of how good a prediction of the dependent variable we can make by knowing independent variables. This implies that 63.2% of the variance in the dependent variable is explained by the independent variables in the model. The model also indicates that, the remaining 36.8% of the variance can be explained by other variables out of this model and indicates that further research might be needed for this.

5.2 Conclusion

The study examined the effect of recruitment and selection practice on organizational performance in the case of *akaki kality* sub city. The sub city's recruitment and selection practice has problems. The recruitment source that usually used by the sub city is external source of recruitment. External recruits will have less of an understanding when it comes to the environment of the organization. The sub city struggle addressing qualified candidates as their recruitment criteria are not proportional with their current employees' educational and vocational skills. The selection practices of the sub city are found to be weak. During the paper examination

the necessary exam conditions were not provided and the questions usually are not appropriate to measure the knowledge, skill and abilities of the candidates. The selection criteria of the organization are not transparent. Sometimes the qualified candidates get ignored or left out as the sub city does not provide equal employment opportunities regardless of gender, race, ethnic group and religion. Recruitment and selection determine who will be a member of the organization in the future, and hence have a substantial effect on organizational performance. Though it is known that having a qualified and competent staff leads to a strong organizational performance, the sub city's recruitment and selection practice could not attract qualified and competent staff and this directly affected the organizational performance.

There is a strong positive relationship between organizational performance with recruitment and selection practice. The inter-dependency of variable was also tested through Pearson's correlation analysis. The independent variables recruitment and selection practice is positively related to the dependent variable of organizational performance with a Pearson correlation coefficient of recruitment practice 1.000^{**} ($r=1.000^{**}$) and significance value is less than 0.001, selection with a Pearson correlation coefficient of $.651^{**}$ and significance value of less than 0.001. This significance tells us there is a strong positive relationship between the dependent variable (organizational performance) with the independent variable (recruitment and selection) practice. R Square = 0.641 implies that 64.1% of organizational performance is explained by recruitment and selection. This implies that 63.2% of the variance in the dependent variable is explained by the independent variables in the model.

5.3 Recommendations

Based on the research findings the following recommendations are made to enhance the recruitment and selection practices of *akaki kality* sub city. To attract external candidates the announcement method the sub city usually use is magazine. As the world is evolving faster in technology it is recommended that the sub city better consider adding announcement methods in the likes of social Medias and job sites. It helps to reach many and diversified applicants.

The sub city usually uses external recruitment method. While it is good adding fresher skills and inputs from externally it is strongly recommended to balance with internal recruitment method. For instance using promotion in internal recruitment method is less expensive and motivates the employees. The organization will also have a proven loyalty of employees.

The results gained from the majority of respondents showed during the selection process in paper examination phase starting from fulfilling the exam conditions to the appropriateness of the questions to measure the knowledge, skills and abilities of the candidates are weak. It is better that the exam to be framed and prepared by recruitment and selection committee with the guidance of experts on the area.

The selection criteria of the sub city are strongly recommended to be transparent. The results in each selection process better be revealed to applicants. The sub city better provide equal employment opportunities for all regardless of gender, race, ethnic group and religion by applying transparent selection criteria because diversified staff leads to increased service quality.

In order to achieve the goals of an organization it is a must to have a qualified and competent staff. In the study the recruitment and selection practice positively related to the organizational performance. From the regression analysis $R\text{ Square} = 0.641$ implies that 64.1% of organizational performance is explained by recruitment and selection practice. So the sub city needs to pay enough attention to this area. It is recommended the recruitment and selection committee to evaluate applicants' stability and willingness to give their best to the organization. The sub city better motivate its employees to provide a quality service that would satisfy the customers.

5.4 Recommendations for Further Research

The findings of this study showed that the recruitment and selection practice of an organization affects its performance. The study used only two independent variables which are recruitment and selection practice. It would result a better outcomes if another independent variables are added to the study. The results of this study points towards areas for future research Therefore, potential researchers in the future can engage in conducting studies on issues in detail by increasing sample wordas and addressing the researchers' limitations.

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APPENDIX

Saint Mary's University college, masters program

Questionnaire to be filled by Employees of *akaki kaliti* sub city.

Objectives of the questionnaire:

The questionnaire is designed to gather relevant data for the study entitled “the effect of recruitment and selection practice on organizational performance in the case of akaki kaliti sub city”. The main objective of this study is to examine the effect of recruitment and selection on organizational performance in *akaki kaliti* sub city. To this end, the researcher believes your honest response is of great importance for the success of this study. Therefore, I kindly request you to give your appropriate and genuine response based on your personal feeling and understanding. Finally, I would like to assure you that all your responses will be kept confidential.

Note:

- ❖ It is unnecessary to write your name.
- ❖ Before you fill the questionnaire try to understand each question very well.
- ❖ Put “√” sign under the correct choice that indicates your responses.
- ❖ Be sure that your answer is specific to your own context

I. Demographic Characteristics

1. Sex of respondents

a. Male []

b. Female []

2. Age of respondents

a. 18 - 28 years []

b 29 - 39 years []

c . 40 - 50 years []

d. 51 years and above []

3. Your level of education?

- a. Certificate []
- b. Diploma []
- c. Bachelors degree []
- d. Masters Degree []
- e. PhD []

4. How long have you been working in the organization?

- a. Less than 5 years []
- b. 6 - 10 years []
- c. 11 - 15 years []
- d. 16 years and above []

5. In which *woreda* of the sub city are you currently working? Please, mention

6. What is your current job position?

Managerial Non-managerial

7. How did you hear about the vacancy of your current position in the sub city?

- a. Promotion ()
- b. Radio ()
- c. bulletin board. ()
- d. Magazine ()
- e. Transfer ()
- f. Other(s) specify_____

8. At which selection process were you not happy?

- a. Paper based application (CV, application letter) b. Interview – 1st level
- c. Interview – 2nd level d. Paper Examination
- e. Other(s) specify_____

9. During written test do you think all the necessary conditions such as: enough time, good environment and clear questions are fulfilled? Yes No

10. How did you get this position?

External vacancy Promotion Transfer
Competition Other(s) specify_____

Recruitment practices						
Note: Please mark in one of the given options for each question given below. 1 – Strongly disagree; 2 – Disagree; 3 – Neutral; 4 – Agree; 5 – Strongly agree						
		1	2	3	4	5
1.	Akaki kaliti sub city has a formal written policy to guide the overall recruitment and selection functions					
2.	In the sub city, jobs and vacancies are often made available to the general public.					
3	Adequate and relevant information about the organization and job is provided to the candidate at the time of recruitment.					
4	The sub city considers existing employees first for filling vacant positions					
5	The requirement mentioned in the job announcement match with what is actually required					
6	The sub city's recruitment criteria are proportional with my education and vocational skill.					
7	I am satisfied with the actions I observe at recruitment time					

Selection practices		1	2	3	4	5
1	The selection is made with proper preparation and considerable time					
2	The selection criteria of the organization are not transparent					
3	The overall selection practice of the organization is satisfactory					
4	Selection questions were appropriate to measure the knowledge, skills and abilities that are required for the open position					
5	The sub city provides equal employment opportunity for all regardless of gender, race, ethnic group, religion.					
6	The selection practice of the organization leads to the employment of competent staff					

Organizational performance		1	2	3	4	5
Note: Please mark in one of the given options for each question given below. 1 – Strongly disagree; 2 – Disagree; 3 – Neutral; 4 – Agree; 5 – Strongly agree						
		1	2	3	4	5
1	Customers are satisfied with the service of the sub city					
2	We respond to customers' needs better than other sub cities					
3	Customers are satisfied because services are delivered in a timely manner.					
4	The sub city is Committed to keep the customers satisfied with quality services					
5	Customers can conveniently obtain the services they need.					