

**UNIVERSITY OF EDUCATION, WINNEBA**

**EVALUATION OF RECRUITMENT METHODS IN RURAL BANKING  
SECTOR IN GHANA. (A FOCUS ON KUMAWUMAN RURAL BANK  
LIMITED)**



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**2017**

**UNIVERSITY OF EDUCATION, WINNEBA**

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SECTOR OF GHANA. (FOCUS ON KUMAWUMAN RURAL BANK  
LIMITED)**



**A thesis in the Department of Management Studies Education, Faculty of  
Business Education, submitted to the school of Graduate Studies, in partial  
fulfillment for the requirements for the award of the degree of Masters of  
Business Administration (Organizational Behaviour and Human Resource  
Management) in the University of Education, Winneba**

**JULY, 2017**

## DECLARATION

### CANDIDATE'S DECLARATION

I, COSMOS OWUSU-ANSAH, declare that this thesis, with the exception of quotations and references contained in the published works which have been identified and duly acknowledged, is entirely the results of my own original research work, and it has not been submitted, either in part or whole for another degree in this University or elsewhere.

SIGNATURE.....

DATE.....



### SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of this work was supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Education, Winneba.

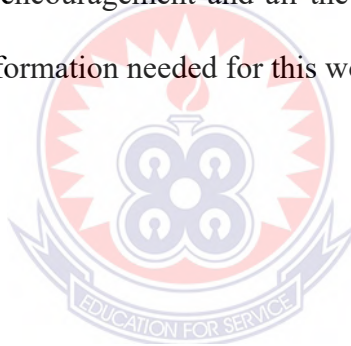
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DATE.....

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## **DEDICATION**

I dedicate the entire work to God Almighty, for taking care of my life throughout my education, and to my dear wife Mrs. Darkoaa Owusu-Ansah for her advice and support towards my success in education, and finally to my parents: Mr. & Mrs. Owusu-Ansah. A very great thanks goes to my lovely mother Maame Ama Gyasiwaa Nyamesem (AZORYELE) and my brothers & sisters Victor Owusu-Ansah, Daniel Owusu-Ansah, Abigail Owusu-Ansah, Kazia Owusu-Ansah, Solomon Owusu-Ansah and Emmanuel Owusu-Ansah for their prayers. Finally, my deepest thanks goes to my lovely grandmother Janet Acheampong (ATWIMAA).



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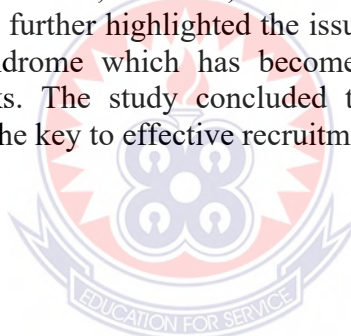
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## ABSTRACT

Recruitment, as a human resource management function, is one of the activities that have the greatest impact on the performance of an organization. While it is understood generally that poor recruitment practices can retard organizational performance and stifle goal achievement, many organizations are yet to take pragmatic steps to evaluate their recruitments methods with the view to identify and implement new, effective hiring strategies. This study had the following objectives: to identify and evaluate the recruitment methods of Rural banking sector of Ghana focusing on Kumawuman Rural Bank Limited, and to offer recommendations to improve recruitments methods of the bank. To achieve these goals a questionnaire were designed based on the objectives. The questionnaire was personally delivered to Eighty (80) respondents drawn from the selected branches of the bank, namely, Amakom Branch, Bomso Branch, Asafo Branch, Alabar Branch and Tafo Branch. The completed questionnaires were processed and analyzed using the Statistical Package for the Social Science (SPSS) system. The findings indicated that the banks used several recruitment methods to attract potential job seekers for employment. The popular recruiting strategies identified included job advertisement, walk-in applicants, employee referrals, specialized recruitment firms and educational institutes. The methods were evaluated relative to the quantity and quality of applicants, cost effectiveness, time consideration, retention, return on investment and compliance with regulations. The findings further highlighted the issues of poaching and the Ghanaian “whom you know” syndrome which has become the major barrier to effective recruitment in the banks. The study concluded that e-recruitments and multiple sourcing strategies hold the key to effective recruitment in Rural Banking Sector.

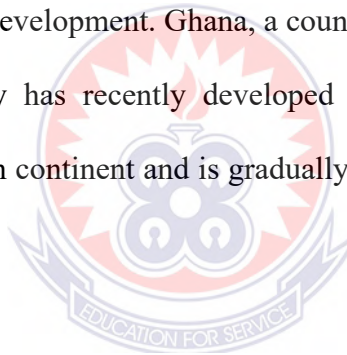


## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

There is little dispute recently that the success or failure of most organizations lies in the competitiveness of their human resource. As such, Human Resource Management (HRM) has made a transition from a state of insignificance to one of strategic importance academically and business wise (Jago, 2009). The current disposition of HRM is largely associated with the drastic expansion of businesses globally, technological innovations and fierce competition that characterizes the environment in which businesses operate today and the Ghanaian business environment is no exception to this global development. Ghana, a country once characterized by political and economic instability has recently developed into one of the fastest growing economies on the African continent and is gradually developing into the financial hub of Sub Saharan Africa.



The liberalization of the banking sector in 2003 witnessed the proliferation and influx of many banks into the country. Consequently, the banking sector has significantly been transformed and continued to improve with new regulations and guidelines seeking to maintain stability. With twenty-six banks in operation, the sector has become more efficient, innovative, competitive and profitable. It is therefore a step in the right direction to view recruitment practices in some selected emerging and vibrant banks in the country.

The recruitment and selection process is one of the most important HRM function at those banks as it is the point of entry into the banks and also where the banks recruit

talents that drive their goals and interest. Riley (2012) explains recruitment as "when the organizations looks to fill the vacancy from any suitable applicant outside the business" can be considered as external recruitment. Armstrong (2012) states that always first consideration should be given to internal candidates and it is always worthy even influencing former well known employees to return to the organization and work even under contract basis as they have experience and developed competency levels to engage in operations. If those approaches does not work then External Sources can be considered such as online Recruitment, advertising (TV, Radio, Newspapers, Magazines), recruitment agencies, job centre, consultants, campus recruitment, job bidding, Educational and other professional institutes, head hunting, job fairs and employee outsource. External recruitment is advantageous to an organization because it allows "new blood" to flow in to minimum inbreeding. Permits the flow of new ideas, knowledge and skills and provides larger assembly of employees from which to find the best suitable candidate. Selection can be done from a broad range of expedience along with the possibility of hiring executives and specialists who are more young and productive. Tabassum (2011) has selected a Bank in Bangladesh to assess and evaluate its recruitment process and to provide suggestions to utilizing human resources more effectively.

## **1.2 Statement of the Problem**

Human capita are the most valuable resources in every organization. The effectiveness of an organization depends on its work force, and their training, organization and discipline. Good quality work depends on good quality people. Consequently, an organization that has a poor recruitment process is unlikely to recruit the right people. This may lead to poor performance, low profitability and

eventual demise. De Cenzo, et al. (2014) wrote: “Recruitment is that set of activities an organization uses to attract job candidates who have the abilities and attitudes needed to help the organization achieve its objectives”. The recruiting efforts thus consist of where to search (source) and how to notify applicants of positions (methods).

It is an undeniable fact that most recruitments in Ghana lacks credibility and often influence by nepotism, bribery and corruption, as well as the much talk about whom you know” culture (the practice whereby people recommend their own relatives and friends to be employed by their organizations). Consequently, square pegs are put in round holes, resulting in poor service delivery. The recruitment and selection procedure therefore becomes a formality as opposed to an objective means to ensure the selection of the best candidates fit for the job. Bediako (2008) asserts that HRM in Ghana relies heavily on assertive norms, with decisions being influenced by personal relationships between managers and employees and this intend affects the recruitment and selection procedure.

Moreover, although literature in the field of recruitment methods and human resource management in general is abundant, most focuses upon developed economies to the neglect of developing economies. As most developed countries are collaborating with developing countries in business developments there is the need to adopt a new dimension to the study of the field. Studies need to factor in the perspective of other economies, especially those in Africa since others in Asia and Latin America have been given ample attention. Through the study of recruitment methods by Rural banks in Ghana, the research aims not to only fill the deaths of literature found in these areas

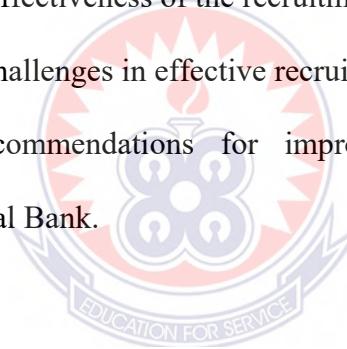
but also create inroads for understanding the African management perspective. Besides, the high staff retention and profitability of the chosen bank provide sufficient justification for examining the recruitment methods of their HR department of Kumawuman Rural Bank Limited.

### **1.3 Research Objectives**

The general objective of the study is to examine the various recruitment methods in Kumawuman Rural Bank.

The specific objectives of the study are as follows:

1. To identify recruitment methods of the Kumawuman Rural Bank Limited
2. To evaluate the effectiveness of the recruitment methods of the bank.
3. To identify the challenges in effective recruitment methods in the bank.
4. To provide recommendations for improving recruitment practices in Kumawuman Rural Bank.



### **1.4 Research Questions**

In view of the problems associated with recruitments in Rural Banking in Ghana, the research questions which this study hopes to find answers include the following:

1. What are the recruitment methods adopted by Kumawuman Rural Bank Limited?
2. How effective are these methods?
3. What are the obstacles to effective recruitment methods of the bank?
4. How can recruitment practices be enhanced in Kumawuman Rural Bank Limited?



### **1.5 Significance of the Study**

Over the years, Rural banking industry has played a major role in most economies hence the importance attached to its practices, policies and general issues that concerns it (Delany, 2013). Rural banking industry provides the payment services and financial products that enable businesses to grow and expand. Thus, by providing investment opportunities, extension of credit and risk management, they contribute significantly to the growth of economies.

Banking institutions occupy a central position in Ghana's financial market and are catalytic agents in the development process of the country. Thus any study that seeks to improve the Rural banking industry also seeks to improve the economic well-being of the country. The study is important to Rural banking sector in particular and the Ghanaian economy as a whole.

The findings and recommendations of this study provided a framework for the adoption of sound recruitment practices in Kumawuman Rural Bank Limited. The study can also serve as the basis for further research for those who intend to research into related areas. Finally, the research can also serve as source of reference to other related studies.

### **1.6 Scope of the Study**

The scope of this study is limited to recruitment strategies adopted by Kumawuman Rural Bank. The study has been undertaken purely from a viewpoint of attracting and recruiting competent people into the bank. The research is confined to recruitment related activities carried out by the bank.

### **1.7 Brief Research Methodology**

This research seeks to evaluate the recruitment methods of Kumawuman Rural Bank. Eighty (80) respondents drawn from the selected branches of the bank, namely, Amakom Branch, Bomso Branch, Asafo Branch, Alabar Branch and Tafo Branch consisting of both permanent and non-permanent or contract staffs. Considering the population sizes, the researcher selected forty respondents representing fifty percent of the target population as the sample size for the investigation. The purposive or judgmental sampling technique was used in this case to select individuals who can give the information required for this study.

The data for the research was obtained from primary and secondary sources. The secondary data was gathered mainly from internal publications on employment and recruitments of the three selected banks, HRM and financial sector industry reports, newspapers, magazines, journals, scholarly books, and information from the internet or World Wide Web. The primary data was obtained from fieldwork and the instrument for the collection of primary data was questionnaires. The questionnaires were composed of closed-ended and open-ended questions. The closed-ended questions were extremely useful for eliciting factual information; they gave readymade category within which respondents replied to the questions asked by the researchers about the topic under consideration, thus they helped solicit right information easily and fast and self-administered questionnaires were delivered by hands. Moreover, the use of the close and open ended questionnaires provided the researcher with variety of responses for data analysis.

### **1.8 Limitations of the Study**

The study should have been carried out in all the branches of the bank but due to time and financial constraints, only five have been selected for case study. It is also envisaged that access to recruitment strategies and policies in other banks besides the ones chosen will be difficult.

### **1.9 Organization of the Study**

The research is organized into five chapters, as presented below:

Chapter one covers the background of the study, statement of the problem, purpose of the study and the research questions.

Chapter two reviews the relevant and related literature on the research topic.

Chapter three covers the research methodology, sampling procedure, data collection techniques and organizational profile of the selected financial institutions under investigations.

Chapter four deals with presentation, analysis and interpretations of the data gathered from the field.

Finally, chapter five covers summary of the findings, conclusions drawn and the researcher's recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

In every study a good literature review does not only provide knowledge about what has been done in the research area but also strengths and weaknesses upon which one can also build an insightful and purposeful study. HRM is one of the well-researched areas in management literature, however, the more research conducted in the field the more debatable the concept becomes. This chapter focuses on the various studies conducted in the field of HRM, revealing necessary gaps in the literature which this research intends to fill. To begin with the concept of HRM is explored in light of what it is said to be and various constitutes and sub divisions. The literature also looks at HRM research in Africa and then narrows down to Ghana.

#### **2.2 Development of Human Resource Management**

Absar (2012) says the importance of recruitment and selection in his paper by considering both public and private manufacturing firms in Bangladesh (Absar, 2012). Some of the research professionals and scholars say that there is a close linkage between the recruitment selection employee satisfaction organization performance and HR practices. As discussed by Jackson et al. (2009), Human resource management approaches in any business organization are developed to meet corporate objectives and materialization of strategic plans via training and development of personnel to attain the ultimate goal of improving organizational performance as well as profits. The nature of recruitment and selection for a company that is pursuing HRM approach is influenced by the state of the labour market and their strength within it. Furthermore, it is necessary for such companies to monitor how the state of

labour market connects with potential recruits via the projection of an image which will have an effect on and reinforce applicant expectations.

Strategic human resource management practices and the competitive advantage of an organization reflect its effective implementation of human resource practices (Othman, 2009). In today's complex and dynamic global environment multinational organizations have to manage a global workforce to achieve sustainable growth. Managing a global workforce is challenging --it is mobile, diverse, and not bound by geographic and cultural boundaries (Schuler, Jackson, & Tarique, 2011; Scullion, Collings & Caligiuri, 2010; Stahl et al., 2012). Human resource (HR) can be defined as the most important resource to affect production performance in organizations (Stone, 2008). The study of how to manage employees is extremely important for organizations in sustaining their competitive advantage in today's business environment. Thus, human resource management (HRM) plays a very significant role in influencing employees' behaviour within organizations (Cowham, 2008).

Recruitment and selection process should be done at each and every sector for fulfilling their organizational goals (Nartey, 2012). Recruitment and selection practices were important in the police department as said by Michael D. White and Glipsy Escobar (2008) in the world and this paper shows the importance of seven issues relating to recruitment, selection and training practices in the organizations (Malhotra, 2014)

Moreover, Recent research on labour market shows the empirical evidence for the existence of dual or segmented labour market (Sousa-Poza, 2009; Pratap & Quintin,

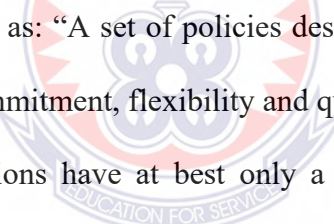
2008; Altmann, Falk, Grunewald & Huffman, 2013; Garibaldi & Taddei, 2013), (Alt & Iversen, 2014). Undoubtedly, labor market segmentation is still a worth exploring issue and requires further research. One of the most significant developments in the field of organizations in recent times is the increasing importance given to human resource. People are vital to organizations as they offer perspectives, values and attributes to organizational life; and when managed effectively, these human traits can be of considerable benefits to the organization. As revealed in Djabatay (2012) this scenario lends credence to the increasing attention being paid to the people aspect of organizational wealth.

Also, Recruitment and selection are vital functions of human resource management for any type of business organization. These are terms that refer to the process of attracting and choosing candidates for employment. The quality of the human resource the firm has heavily depends on the effectiveness of these two functions (Gamage, 2014). Recruiting and selecting the wrong candidates who are not capable come with a huge negative cost which businesses cannot afford. Thus, the overall aim of recruitment and selection within the organization is to obtain the number and quality of employees that are required to satisfy the strategic objectives of the organization, at minimal cost (Ofori & Aryeetey, 2011). As explained by Opatha (2010) recruitment is the process of finding and attracting suitably qualified people to apply for job vacancies in the organization. It is a set of activities an organization uses to attract job candidates who have the needed abilities and attitudes. Recruitment is the process of generating a pool of qualified applicants for organizational job vacancies. For Ofori and Aryeetey (2011) recruitment is the process of generating a pool of competent individuals to apply for employment within an organization.

However, evidence has shown that larger corporations are more likely than smaller organizations in implementing sophisticated recruitment processes (Bacon & Hoque, 2015) with majority of smaller organizations relying on referrals and advertising as their recruitment practices of choice (Barber, 2009). 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 vibes so that the overall strategic goals are achieved.

The study of people management has gone through different phases dating as far back as Fredrick Taylor's (1909) Scientific Management to Elton Mayo's (1924-1932) Hawthorne experiment giving rise to Human Relations movement through the era of Personnel management until the present day concept of Human Resource Management. This development has been of interest in many studies (see for example Flood et al., 2002; Schuler and Randall, 1998; Jain and Saakshi, 2005). It is however refreshing to note that each concept reflected the era and times in which it was developed, and address to a large extent, pressing issues that confront the management of people at the said time whiles utilizing previous concepts as building blocks for new ones.

Human Resource Management developed as a US management concept which lays emphasis on the individual worker and the need to treat people as assets rather than cost (Prasad, 1979 & Halcrow, 1998). Though widely accepted as the new management practice, the concept remains undefined as it is applied in different ways. Hammersak (2002) identifies three main approaches to HRM: Firstly, HRM as a new title for personnel management, pointing that organisations rename their personnel department without necessarily changing practices, secondly, HRM as a way of re conceptualizing and re organizing personnel roles and describing the work of personnel department, and thirdly HRM as a totally new approach for management with a distinctiveness which lies in the integration of human resource into strategic management and the emphasis on full and positive utilization of these resources.

The logo of the University of Education, Winneba, is a circular emblem. It features a central sunburst or starburst design in white and red. Below the sunburst is a blue shield with a white cross. The shield is set against a red background. The words "UNIVERSITY OF EDUCATION" are written in a semi-circle above the shield, and "WINNEBA" is written below it. At the bottom of the emblem, the motto "EDUCATION FOR SERVICE" is inscribed in a banner.

HRM is therefore defined as: “A set of policies designed to maximize organizational integration, employee commitment, flexibility and quality of work. Within this model, collective industrial relations have at best only a minor role” (Hammersak 2002). Again, Hammersak (2002) identifies three main approaches to HRM: Firstly, HRM as a new title for personnel management, pointing that organizations rename their personnel department without necessarily changing practices, secondly, HRM as a way of re conceptualizing and re organizing personnel roles and describing the work of personnel department, and thirdly HRM as a totally new approach for management with a distinctiveness which lies in the integration of human resource into strategic management and the emphasis on full and positive utilization of these resources. HRM is therefore defined as: “A set of policies designed to maximize organizational integration, employee commitment, flexibility and quality of work. Within this model, collective industrial relations have at best only a minor role” (Hammersak, 2012).



Also, Hammersak (2012) definition brings out the individualistic and unitarist nature of HRM. Hilltrop, et al (2014) seminal work further highlights the unitary aspect of HRM as effective management that reaffirm employees' commitment to the realization of company goals. Hilltrop, et al (2014) therefore defines HRM as: "A distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of highly committed and capable workforce, using an integrated array of cultural, structural and personnel technique" (Hammersak (2012)). Hilltrop et al (2014) however, divert from the optimistic view formerly stated by Hammersak (2012) arguing that HRM policies are adapted mainly to drive managements interest, the wellbeing of employees is only factored in, as a means to an end (achieving organizational goals and targets). The above statements also reflect both hard and soft aspects of HRM as prescribed in the Michigan and Harvard models respectively.

Moreover, Khatri (2010), however take a different stance away from the hard verses soft debate arguing that there is need to shift from prescriptivism to descriptive analysis of structures and strategy making processes of organization. They point out that, developing the necessary framework for understanding these structures and strategies are essential underpinnings of HRM. Swanepoel et al. (2010) in their hologram discourse dissolves the various conflicting views of HRM by presenting the concept as a "complex holistic process" and to gain deeper understanding one has to factor in the different forms it takes just like a hologram.

However, Terpstra (2016) gave an all-inclusive sum up of the various views of HRM as: A strategic and coherent approach to the management of an organization's most

valued assets: the people working there who individually and collectively contribute to the achievement of its objective. Apart from the unitary view of HRM expressed in the previous paragraph, another central feature of HRM is the decentralization of responsibility to line managers. The general view is that line managers are essential for the effectiveness of HRM practices regardless of the type of or version of the concept in question.

In addition, Huang (2010) reaffirms this point adding that line management play a more significant function in the implementation and drive of HRM. Thus, the function of line managers does not only focus on purely technical responsibilities but also play a role in enhancing the human aspect of HRM. From the various views presented, HRM can then be labelled as a strategic approach which is comprehensive and coherent, stresses on commitment, the need to treat human resource as assets, a unitary approach and finally one which factors in line management responsibility in the performance and delivery of HRM. Based on the different interpretations given to HRM, the study seeks not to add to the debate but rather present an empirical evidence of how the concept is perceived and practiced in the Ghanaian banking sector.

Again, Companies can only succeed in the long-term if they recruit and motivate people who are able to respond to and shape the challenges of the future. These are the individuals with the capacity to create competitive advantage from the opportunities presented by changing markets, with the desire to learn from customers, consumers, suppliers and colleagues, and who possess the ability to build and influence long-lasting and effective partnerships (Walker, 2010). The recruitment of

new employees helps to demonstrate a company's aspirations, highlighting the skills and attitudes to which it attaches the highest priority. The choice also provides a major opportunity to communicate the values and successes of the organization – to explain why the company offers the most attractive place for a person to develop their career. Yet this competition for top talent is nothing new; and if the challenge for HR managers is to spot the best people and win their favour (Walker, 2010). The dynamic and uncertainty in HR contemporary organizations are tremendously moving towards a radical dimension (Analoui, 2009). Recent debate by many researchers have laid more emphasis about matching and incorporating the HR-department with other strategic functioning departments within organization (Soderlund & Bredin, (2008); Analoui, (2009); Price, (2009).

### **2.3 The Human Resource Management Practice**

There is no agreement on what constitutes HRM practices let alone a prescribed set of them (Delany, 2013). Researchers have over the years proposed countless varied lists of practices however; there is no agreement on what or which practice qualifies as an aspect of HRM (Swanepoel, at el, 2010). It is interesting to note that there are still some practices that form the core of the various practices proposed. These include recruitment and selection, training and development, performance management and reward scheme, however, others such as job design and employee involvement are more sporadic and are yet to gain grounds in the HRM literature. Huang (2009) however puts forward seven practices namely, selection, training, appraisal, rewards, job design, involvement and status and security. However, the study focuses on six out of the seven practices in its analysis. Selection of the practices for study is based

on its recurrence in the literature reviewed, its significance and measurability. The following is a list of the practices and definitions in relation to this study.

#### **2.4 Recruitment Defined**

The word 'recruitment' has many meaning and plays an important role. Employees leave the organization in search of greener pastures- some retire some die in saddle. The most important thing is that enterprise grows, diversifies, and takes over other units-all necessitating hiring of new men and women. In fact, recruitment functions stop only when the organization ceases to exist.

According to Edwin (2014), recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization. Recruitment is the activity that links the employers and the job seekers. Based on the definition provided by Edwin (2014), recruitment can be seen as the process of finding and attracting capable applicants for employment. The process begins when new recruits are sought and ends when their application are submitted. The result is a pool of applicants from which new employees are selected.

The general purpose of recruitment is to provide a pool of potentially qualified job candidates. Chandan, (2007) has outlined six importance of recruitment as follows;

1. Determine the present and future requirement of the organization in conjunction with its personnel planning and job analysis activities;
2. Increase the job pool of job candidates at minimum cost;
3. Help increase the success rate of the selection process by reducing the number of visibly under qualified job applications;

4. Help reduce the probability that job applicants, once recruited selected, will leave the organization only after a short period of time;
5. Meet the organizations legal and social obligation regarding the composition of its workforce;
6. Evaluate the effectiveness of various recruiting technique and sources for all types of job applicants.

## **2.5 Recruitment and Job Analysis**

There are a number of resources that contribute towards the success of any organization, such as manpower, money, machine, material, information, idea, and other inputs. While these resources are important, the human factor is the most significant one because it is the people who have to coordinate and use all other resources (Chandan, 2007). Recruitment is an integral part of human resource, and involves the process of identifying and attracting or encouraging potential applicants with needed skills to fill vacant positions in an organization (Peretomode & Peretomode 2011), matching them with specific and suitable jobs, and assigning them to these jobs (Chandan, 2007).

Job analysis, which is the study of what is to be done, where, how, why, and by whom in current and predicted job, begins the recruitment process (Mc- Cormick, 2006). This analysis involves compiling a detailed description of tasks, determining the relationship of the job to technology and to other jobs and examining the knowledge, qualifications or employment standards and requirements (Jain & Saakshi, 2015). A Job analysis does two things (Jones at el, 2010). First, it tells the recruiter about the job itself by specifying the essential tasks, duties, and responsibilities involved in

performing the job. This is called job description (Brannick et al., 2012). Second, it describes the skills, knowledge, abilities and other personal characteristics needed to perform the job. This is called job specification (Flood et al., 2012). Job analysis provides essential information for recruitment (Brannick et al., 2012), and a thorough job analysis helps in the placement decision of an organization by specifying the requirements of a job and the abilities of the person to meet these requirements so that specific jobs are assigned to those people who will be most productive. After the job analysis process, the recruiter sources potential applicants by creating awareness for the existence of vacancies in order to attract the right kind of people to be recruited from the right places and time.

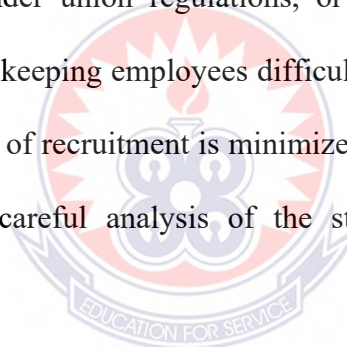
## **2.6 Internal and External Sources of Recruitments**

There are basically two sources of recruitment where applicants can be drawn into any organization. These sources are classified as either internal or external. To what extent these sources will be used depends upon the specific environment of organization as well as its philosophy of operations. When using internal sources of recruitment, the organization turns to existing employees to fill open positions. The employees recruited internally are either seeking lateral moves (job changes that entail no major changes in responsibility or authority levels like transfers), or promotions (Jones et al., 2010). Internal sources of recruitment are not expensive and are less time consuming, compared to external sources. Another merit of internal sourcing is that the employees are already familiar with the system, and the organization also has information about their skills, abilities and actual behavior on the job.

However, Internal sourcing boosts morale and motivation of employees. Riley (2012) defines Internal Recruitment as "when the organizations looks to fill the vacancy from within its existing workforce". Employees who are presently employed can be either promoted or transferred in order to fill the vacancies. According to Ayesha (2011) "existing employees of an organization provides the internal sources". According to Opatha (2009) internal recruitment is filling organizational vacancies by utilizing internal staff itself and this can be done by promoting or transferring. There are many ways of internal recruitment as internal Advertisements (Emails, newsletters, memos), promotions, transfers, job posting, internal Employee referrals, retired workers for short-term or contract positions, current short-term/ contract workers for permanent posts, former employees for part-time/ freelancer/ working at home positions.

Despite the internal sources of recruitment, many organizations still rely on external sources. Reasons may be that there is limited pool of candidates internally and the system may not have suitable internal candidates. When recruitment is conducted externally, the organization looks outside for potential applicants. External recruitment is likely to be used especially for lower entry jobs in periods of expansion, and for positions whose specific requirements cannot be met by present employees within the organization. There are multiple means through which an organization can recruit externally, such as advertisements in electronic (including internet) and print media, private and public employment agencies (Prasad, 2009), walk-ins by job hunters (Jones et al., 2010), employee referrals (Halcrow, 2008), academic institutions (Lindquist & Endicott, 2014), professional associations, unions (Terpstra, 2006) and informal networks (Jones et al 2010).

External sourcing has both advantages and disadvantages. Advantages include having access to a potentially large applicant pool, being able to attract people to an organization who have the skills, knowledge, and abilities the organization needs to achieve its goals, and, being able to bring in newcomers who may contribute fresh ideas to solving problems and who may be up-to-date on the latest technology. The disadvantages include high costs of recruitment and training, lack of knowledge about the inner workings of the organization, and uncertainty about the performance of the potential employees. Recruiting qualified and competent workers may be very difficult for some organizations because of some environmental constraints. Some organizations have unattractive workplaces, have policies that demand promotions from within, operate under union regulations, or offer low wages, which makes recruitment exercise and keeping employees difficult (Nickels et al., 2009). However, the degree of complexity of recruitment is minimized by formulation of sound human resource policies after careful analysis of the strengths and weaknesses of the environment.



## **2.7 Recruitment Methods**

Halcrow (1988) compiled the most popular recruitments methods which organizations use to attract potential job seekers for employment as follows:

**Job Advertisement;** A way of communicating the employment needs within the firm to the public through media such as radio, newspaper, television, industry publications, and the Internet. Sometimes, organizations can perform the recruitment function through blind advertisements. In blind advertisements no identification about the company is provided to applicants. Companies can use blind advertisements for many reasons e.g. Company wants to keep the recruitment in low profile so that lesser



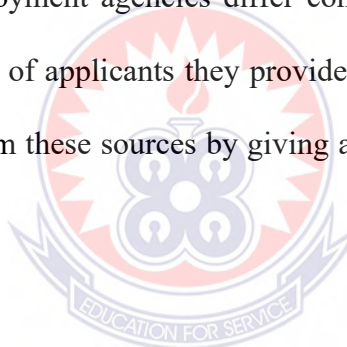
number of applicants should apply in order to discourage the irrelevant people. It can also be due to bad reputation or image of the organization. is the most common form of external sources of recruitment. Organizations advertise vacant position on both electronic print and media to access a larger pool of applicants. As cited by Nel et al. (2009), an advertisement has communication as its basic underlying principle and it should be worded in a manner that triggers responses from job seekers. Recruiters should formulate the wording of advertisements in a manner that is not discriminatory.

Advertisements are expensive but attract a larger pool of applicants than internal recruitment processes. It is, however, more difficult to evaluate external applicant than those that are already employed within the organizations. According to Armstrong (2010), the objectives of an advertisement should be to: Attract attention and it must compete for the interest of potential candidates against other employers; Create and maintain interest – it has to communicate in an attractive and interesting way information about the job, the company, the terms and conditions of employment and the qualifications required; Stimulate action – the message needs to be conveyed in a manner that will not only focus people's eyes on the advertisement but also encourage them to read to the end, as well as prompt a sufficient number of replies from good candidates (Armstrong, 2011).

**Employment Agencies:** An organization that helps firms recruits employees and, at the same time, aids individuals in their attempt to locate jobs. There are two types of the employment agencies i.e. Public Employment Agencies and Private Employment Agencies. Both of these sources provide coordination between the organizations and

applicants who are searching for jobs, they charge fees for their services. Employment agencies are able to tailor their services to the specific needs of the clients for example some agencies specialize in a particular employment area, such as engineering, human resource or Computer programming.

However, Employment agencies, sometimes referred to as labour brokers, even though they can face criticism from labour unions in Ghana, tend to be fast and efficient in recruiting applicants for specialized positions. For a fee collected from either the employee or the employer, usually the employer, these agencies do some preliminary screening for the organization and put that organization in touch with applicants. Private employment agencies differ considerably in the level of service, costs, policies, and types of applicants they provide. Employers can reduce the range of possible problems from these sources by giving a precise definition of the position to be filled (Sims, 2012).



**Internship:** A special form of recruiting that involves placing a student in a temporary job. There is no obligation on the part of the company to permanently hire the student and no obligation on the part of the student to accept a permanent position with the firm. Hiring college students to work as student interns is typically viewed as training activity rather than as a recruiting activity. However, organizations that sponsor internship programs have found that such programs represent an excellent means of recruiting outstanding employees. However, Managers of organizations may visit educational institutions such as universities and colleges to attract top students, especially during their final years of study to apply for vacant positions. This method of recruitment is also referred to as campus recruiting and is one of the cheapest

methods of recruitment. It introduces final year students to the institution. The recruiter normally makes a presentation to final year students and invites desirable students to visit public institutions exposing them to different areas within the organization (Nel et al., 2009).

**Online Recruitment:** Organizations can also use web sites and internet sources to recruit people, conduct application submission test and interviews and other recruitment activities. Online recruitment uses web-based tools such as a firm's public internet site or its own intranet to recruit staff. The processes of e-recruitment consist of attracting, screening and tracking applicants, selecting, and offering jobs or rejecting candidates. Cappelli (2014), has estimated it that it costs only about one-twentieth, as much to hire someone online. The internet has become a way for employers to display company image and advantages over competitors (Rotella, 2010). Many internet users know the difficulty, frustration and inefficiencies of sorting through information to find applicable and useful material. However, many companies find it difficult to integrate the Internet with their existing systems (Brake & Lawrence 2009).

**Unsolicited Applicants:** Many job seekers visit the offices of well-known companies on their own to look for job. Such callers can help in creating the talent pool or the database of the probable candidates for the organization.

**Employee Referral:** Many organizations have structured system where the current employees of the organization can refer their friends and relatives for some position in their organization. Also, the office bearers of trade unions are often aware of the

suitability of candidates. Management can inquire these leaders for suitable jobs. In some organizations these are formal agreements to give priority in recruitment to the candidates recommended by the trade union.

Compton, et al (2009) stated that referrals of job applicants by the organization's existing employees can be a low-cost but very effective method of recruitment. In addition to its cost advantages, such as reduction of advertising costs and employment agency fees, it has the advantage that current employees have a good knowledge of what a job entails and what the organization requires. Another advantage is the ability of employees to sell the benefits of working for the organization to other potential employees. HR managers offer various incentives/rewards including cash incentives to the current employees for referring the best candidates (Rajaroo, 2010)

**Educational Institutes:** Various management institutes, engineering colleges, medical Colleges etc. are a good source of recruiting well qualified executives, engineers, medical staff etc. They provide facilities for campus interviews and placements. This source is also called campus recruitment. Managers of organizations may visit educational institutions such as universities and colleges to attract top students, especially during their final years of study to apply for vacant positions. This method of recruitment is also referred to as campus recruiting and is one of the cheapest methods of recruitment. It introduces final year students to the institution. The recruiter normally makes a presentation to final year students and invites desirable students to visit public institutions exposing them to different areas within the organization (Nel et al., 2009).

## **2.8 Recruitment Process**

Recruitment is the process of generating a pool of qualified applicants for organizational job vacancies. For Ofori and Aryeetey (2011) recruitment is the process of generating a pool of competent individuals to apply for employment within an organization. Evidence has shown that larger corporations are more likely than smaller organizations in implementing sophisticated recruitment processes (Bacon & Hoque, 2015) with majority of smaller organizations relying on referrals and advertising as their recruitment practices of choice (Barber, Wesson, Roberso & Taylor, 1999).

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 vibes so that the overall strategic goals are achieved.

# Recruitment Process



Source: Prashant (2009)

**Figure 2.1: Recruitment Process**

## Recruitment Planning

The recruitment process begins with the planning where in the vacant job positions are analyzed and then the comprehensive job draft is prepared that includes: job specifications and its nature, skills, qualifications, experience needed for the job, etc. Here, the recruitment committee decides on the number and the type of applicants to be contacted. The aim of any organization is to attract more candidates as some of them might not be willing to join, or some might not qualify for the job position. So the company has a sufficient number of candidates to choose amongst them. The type of candidates required for the job is well specified in terms of the task and responsibilities involved in a job along with the qualification and experience expected.

However, according to Korsten (2013) and Jones et al (2006), Human Resource Management theories emphasize on techniques of recruitment and selection and outline the benefits of interviews, assessment and psychometric examinations as employee selection process. They further stated that recruitment process may be internal or external or may also be conducted online. Typically, this process is based on the levels of recruitment policies, job postings and details, advertising, job application and interviewing process, assessment, decision making, formal selection and training (Korsten, 2013). Jones et al (2006) suggested that examples of recruitment policies in the healthcare, business or industrial sector may offer insights into the processes involved in establishing recruitment policies and defining managerial objectives.

### **Strategy Development**

Once the comprehensive job draft is prepared, and the type and the number of recruits required are decided upon; the next step is to decide a strategy that is adopted while recruiting the prospective candidates in the organization. The following strategic considerations should be kept in mind. Furthermore, the growing number of studies that define board's strategic involvement as participation in strategic decision making may stimulate more dynamic theories and promote research designs explicitly investigating the changing contributions of boards of directors over time (Ravasi & Zattoni, 2006). In sum, multi-level approaches and international comparative corporate governance studies may contribute to the development of a better understanding of interactions between macro, meso, and micro dynamics and how these forces jointly shape the relationship between boards of directors and strategy (Volberda et al., 2011)



- **Make or Buy Employees**, which means the firm either decides to select less skilled employees and invest in training and education programmes or hire skilled professionals.
- **Methods of Recruitment**, the firm decide on the methods used for recruiting the individuals. Such as the internet provides detailed information about the prospective candidates and helps in shortlisting the best-qualified individuals.
- **Geographical Area**, the next decision is related to the area from where the candidates shall be searched. The firm looks for those areas where the handful amount of qualified employees is concentrated, with a view to curtailing a search cost.
- **Sources of Recruitment**, there are two sources of recruitment: Internal source (within the organization), external source (outside the organization). The firm must decide the source from where the candidates are hired.

### Searching

Once the strategy is prepared the search for the candidates can be initialized. It includes two steps: source activation and selling. The source activation means, the search for the candidate activates on the employee requisition i.e. until and unless the line manager verifies that the vacancy exists, the search process cannot be initiated. The next point to be considered is selling, which means the firm must judiciously select that media of communication that successfully conveys the employment information to the prospective candidates.



## **Screening**

The screening means to shortlist the applications of the candidates for further selection process. Although, the screening is considered as the starting point of selection but is integral to the recruitment process. This is because the selection process begins only after the applications are scrutinized and shortlisted on the basis of job requirements. The purpose of recruitment here is to remove those applications at an early stage which clearly seems to be unqualified for the job.

Today, many types of personnel screenings are utilized in employment selection including measures of ability, skills, physical aptitude, and personality. Pre-employment assessment is a tool now widely used in all business sectors, along with other means of applicant screening such as interviewing and biodata analysis. Larger organizations are more likely to utilize supplemental assessments in their pre-employment screening processes (Ajila, & Okafor, 2012), however, only 20% of organization respondents in a Piotrowski & Armstrong (2006) study reported utilizing personality tests specifically. Government agencies, such as the military and police departments still use personality tests in greater proportion to other industries (Simmers, Bowers, & Ruiz, 2013).

## **Evaluation and Control**

Evaluation and control is the last stage in the recruitment process wherein the validity and effectiveness of the process and the methods used therein is assessed. This stage is crucial because the firm has to check the output in terms of the cost incurred. The recruitment is a costly process as it includes the salaries of recruiters, time spent by the management, cost of advertisement, cost of selection, a price paid for the overtime and outsourcing in case the vacancy remains unfilled. Thus, a firm is required to

gather all these relevant information to evaluate the performance of a recruitment process effectively. Evaluating employee performance is a difficult task. Once the supervisor understands the nature of the job and the sources of information, the information needs to be collected in a systematic way, provided as feedback, and integrated into the organization's performance management process for use in making compensation, job placement, and training decisions and assignments (London, 2013).

The **recruitment prerequisites** should be set by decisions made through the business and HR strategies. The recruitment prerequisites provide information about the number of new candidates, the positions and recruitments areas, etc. **Company and job presentations** shall be developed, distributed and promoted to attract potential candidates. This activity is generally seen as part of general company branding, but knowing who you want to attract will provide a good basis for developing the communication towards this particular segment. **Job requirements** come into play. By setting up the requirements to correspond with the different stages of the screening process, you can ensure that the screening works as a funnel, and that you only spend time on candidates who have passed the previous "hurdle".

Again, successful recruitment involves several processes. Schuler and Randall (1988) identified seven processes which must be followed by organizations to achieve success. These processes are:

1. Development of a policy on recruitment and retention.
2. Needs assessment to determine the current and future human resource requirements of the organization. If the activity is to be effective, the human

resource requirements for each job category and functional division/unit of the organization must be assessed and a priority assigned

3. Identification, within and outside the organization, of the potential human resource pool and the likely competition for the knowledge and skills resident within it.
4. Assessment of qualifications profiles, drawn from job descriptions that identify responsibilities and required skills, abilities, knowledge and experience.
5. Determination of the organization's ability to pay salaries and benefits within a defined period.
6. Identification and documentation of the actual process of recruitment and selection to ensure equity and adherence to equal opportunity and other laws.

## **2.9 Challenges in Recruitment**

Organizational recruitments are not without problems. Groblet, et al (2015) identified time and resources constraints as the major setbacks to effective recruitment. They contend that recruitment is becoming expensive and time consuming these days and advises organizations to put in place mechanisms to monitor and control cost.

Writing on a similar topic, Gberevbie (2008), argues that the greatest challenges organizations face during recruitment relates to how to find and recruit the best candidates. Finding the best possible candidates is becoming elusive for many organizations because of skills shortage in the labour market. Besides the difficulties in getting good candidates, organizations are also faced with the problem of retention. Another problem relates to the challenges posed by globalization and the growing sophistication of recruitment (Jike, 2013). The traditional recruitment methods are

proving to be less adequate; organizations are being pushed to explore for new ways of attracting competent people.

Finally, external interference (Sandra, 2009), poor planning (Ayaji, 2011) and bad recruiter attitude (Amadasu, 2013) are other challenges that organizations need to overcome in order to achieve recruitment targets.

## **2.10 Alternatives to Recruitment**

The myriad of problems associated with recruitment has led some critics to proposed alternative ways of meeting the staffing needs of organizations. Some of the options in this regard may be listed thus:

**Overtime:** Short term fluctuations in work volume could best be solved through overtime. The employer benefits because the costs of recruitment, selection and training could be avoided and the employee in the form of higher pay.

**Subcontracting:** To meet a sudden increase in demand for its products and services, the company may sometimes go for subcontracting – instead of expanding capacities immediately. Expansion becomes a reality only when the firm experiences increased demand for its product for a specified period of time. Meanwhile the firm can meet increased demand by allowing an outside specialists agency to undertaken part of the work, to mutual advantage.

**Outsourcing:** Any activity in which a firm lacks expertise and requires on unbiased opinion can be outsourced. Many businesses have started looking at outsourcing activities relating to recruitment training, payroll, processing, surveys, benchmark studies, statutory compliance etc more closely because they do not have the time or expertise to deal with the situation. HR heads are no longer keeping activities like

resume management and candidates sourcing their daily scrutiny. This function is more commonly outsourced when firms are in seasonal business and have cyclical staffing needs.

### **2.11 Recruitment Practices in Ghana**

This is largely influenced by the Ghanaian “whom you know” culture (the practice whereby people recommend their own relatives and friends to be employed by their organizations). The recruitment and selection procedure therefore becomes a formality as opposed to an objective means to ensure the selection of the best candidates fit for the job.

Bediako (2008) asserts that HRM in Ghana relies heavily on assertive norms, with decisions being influenced by personal relationships between managers and employees and this intend affects the recruitment and selection procedure. However he is quick to add this does not mean merit is out of the question but rather it is in line with personal interest rather than organizational. The criteria normally used in recruitment and selection include; interviews, use of curriculum vitae, and recently written and oral examinations set by the company, which is more academic in nature than the general assessment offered in psychometric testing. Khatri (2010) reported that the choked job market in Ghana favours the employer rather than the employee, with most applicants forced to take desperate measures to secure jobs, the employer has a large pool of applicants to select from on their terms of condition.

## **2.12 Strategies for Successful Recruitment**

Recruitment and selection is not only about choosing the most suitable candidate. The recruitment and selection experience can also impact on the likelihood that a candidate will accept a job offer and on their commitment to remaining with the organization. Sandra, (2008) Committing time and resources to develop a comprehensive recruitment strategy is a worthwhile investment. Poor recruitment choices (i.e., poor person-job fit) can have a range of undesirable consequences for the organisation and the worker including: Higher rates of turnover, reduced performance effectiveness, lowered job satisfaction and reduced work motivation.

## **2.13 Job Description**

A clear, accurate and up-to-date job description is crucial to ensuring a good person-job fit. According to Nickels et al (2009) it is worthwhile spending some time making sure that the job description matches the everyday reality of the job. A job description contains two types of information: Specific tasks and activities required for a particular job e.g., conduct counseling sessions, write client reports and the knowledge, skills and abilities required for effective performance by the job incumbent (e.g., good communication skills, capacity to establish good client rapport)

The accuracy of a job description is likely to be improved by gathering information from different sources. Different perspectives on the knowledge, skills, responsibilities, challenges and demands of a position are likely to be provided by supervisors and workers in the same or similar roles. It may also be useful to consider whether the organization is willing to take on less experienced workers and provide

professional development activities (in-house or external) to build up their knowledge and skills.

#### **2.14 Development of Effective Recruitment Strategy**

Two important issues to consider when developing a recruitment strategy are (1) The source of recruitment (i.e., advertisements, personal referrals, employment agencies, direct applications) (2) The recruiter (i.e., the “personal face” of the organisation).

A range of strategies (e.g., newspaper advertisements, personal networks) can be used to recruit new workers. There is evidence that hiring new staff through referrals from existing staff or direct (unsolicited) applications is likely to result in lower turnover rates and higher job satisfaction compared to more traditional avenues of recruiting (e.g., newspaper advertisements).

A range of people within an organisation may be called upon to act as recruiters (i.e., to answer telephone enquiries, conduct interviews, etc.). A recruiter can have a significant impact on job applicants, particularly their interest in a position and their intention to accept a job offer. (Wayne, 2012). The supervisor for the position and coworkers are likely to be the most effective recruiters as they will be viewed as trustworthy and credible sources of information about a position and the organisation. There is also evidence to indicate that friendly and informative recruiters are associated with firmer intentions to accept job offers. An experienced recruiter who is familiar with the organisation can also be an important source of realistic and accurate information for candidates (i.e., providing a realistic job preview). Emphasizing the positive aspects of a position is important in order to attract desired candidates.

However, an unrealistically optimistic job description may create problems in the longer term if a new employee's expectations are not met (Sandra, 2009)

### **2.15 Job Interview**

In order to obtain the best person-job fit (i.e., matching the right person for the right job), a structured interview format is recommended (Wayne, 2012). A structured interview involves asking each candidate the same set of questions and assessing their responses on the basis of pre-determined criteria. The questions and assessment criteria are based on an accurate, updated job description. The most common types of structured interview questions are situational and experience based.

A realistic job preview involves providing candidates with an accurate and complete representation of the tasks and responsibilities of the job. It presents the pros and cons of the job to potential candidates. (Wayne) Realistic job previews may contain information such as:

1. A description of a typical day on the job
2. Aspects of the job that have been rewarding for others
3. Aspects of the job that have been difficult for others
4. Opportunities for advancement and professional development
5. Remuneration and benefits
6. Unique requirements: travel, physical demands, shift work, overtime
7. Providing a realistic preview is likely to have a range of benefits.



## **2.16 Evaluation of Recruitment Methods**

Periodically evaluating the effectiveness of your recruitment strategy, such as the type of sources used for recruiting, can be a useful activity (Swanepoel, et al., 2010). For instance, a cost-benefit analysis can be done in terms of the number of applicants referred, interviewed, selected, and hired. Comparing the effectiveness of applicants hired from various sources in terms of job performance and absenteeism is also helpful. One could also examine the retention rates of workers who were hired from different sources.

The process of recruitment is an important process not only for the studies but also for practice and is said to be a process that consumes most of the time and costs related to HR processes. HR assets is said to be an integral part in the organisations that makes the process of recruitment very essential. To be very effective and to hire the perfect people, it is important for the firm to detect the requirements to develop a proper hiring process (Münstermann et al., 2010).

Evidence shows that there is a positive and important correlation among selection and recruitment and the enterprise's performance (Gamage, 2014). Additionally, Hauser (2011) for instance identified positive link among the business performance, selection and recruitment. Hunt (2010) also showed positive results for the business performance, selection and recruitment. The study by Syed and Jamal (2012) also showed that implementation of an effective recruitment and process of selection has a positive relation towards organizational performance. Sinha and Thaly (2013) made a note that there are several types of recruitment approaches (for example campus recruitment, job sites or portals, recruitment agencies or consultants, advertisements, company websites, social media, employee referral programs etc.); and many

organizations would use a blend of more than two of these as a part of the recruitment process or for delivering their overall recruitment strategy. But, the channels of recruitment must be used based on the job position, employer's brand, the company resources have upon the recruiting team, about the budget for recruiting etc. Each recruiting channel would provide several benefits and limitations and performs in a better fashion for specific firms and situations. The key is to collect the recruitment metrics real time upon the recruiting channels for figuring out which one works better for the firm in various situations.

Vyas (2011) is of the opinion that the firms are on the lookout of the methods for lowering the time and effort for recruitment methods. The main drive of HR division outsourcing is lowering the costs that has organisations strive towards the goals (Delmotte & Sels, 2008; Abdul-Halim et al., 2009). These days, most firms prefer HR practices outsourcing and it is rising at a fast pace (Ordanini & Silvestri, 2008) specially RPO or Recruitment Process Outsourcing that would have the firms to outsource the recruitment department of the HR.

### **2.17 Orientation of New Staff**

An effective induction helps new workers understand their role and where they “fit” within the organization. It also equips them with the tools they need to perform their work role. A comprehensive induction process can benefit workers' performance and retention. According to Peretomade, et al (2011) induction should be treated as an ongoing process to support new workers over the first few months of their position. Organizing a mentoring or “buddy” system is a good strategy to ensure a comprehensive induction. Two useful induction tools are: Induction manual / kit and Mentoring program or “buddy” system.

## CHAPTER THREE

### RESEARCH METHODOLOGY AND ORGANIZATIONAL PROFILE

#### 3.1 Introduction

This section looks at the research design, data sources, target population, sampling procedure and the data collection methods used for data gathering. A brief overview of the bank under study would also be considered in this section.

#### 3.2 Research Methodology

Research is something that people undertake in order to find out things in a systematic manner, thereby increasing their knowledge. It is noted that this definition captures two significant phrases: “systematic way” and “to find out things”. “Systematic” suggests that research is based on logical relationships and not just beliefs (Saunders and Thornhill, 2009). It portrays the exact idea the researcher is carrying out (William, 2011). “To find out things” suggests that, there are multiple possibilities or purposes for your research. These may include describing, explaining, understanding, criticizing, and analyzing. Research methodology can be described as the framework associated with a particular set of assumptions that can be used to conduct research (O’Leary, 2014). Research methodology also involves considering the methods of data collection and the theories and concepts underpinning the research topic.

#### 3.3 Research Design

Research design is the logical framework upon which the research project is conducted and enables the researcher to gather evidence to address the research question. It provides the glue to hold the research project together dealing with the

questions to study, what data are relevant, what data to collect and how to analyze the results. This study was designed as a case study which involved a detailed examination of recruitment methods utilized by Kumawuman Rural Bank Limited to satisfy their human resource needs. The questions raised in the research were answered through the collection and analysis of data from the field.

### **3.4 Data Sources**

This research study drew its data from two main sources; primary and secondary data sources.

The primary data sources refer to data collected and analyzed by the researcher from the field. The main primary data for the study were the responses obtained from respondents through questionnaires.

The secondary data refers to the existing data that may be appropriate to the topic under study. The secondary data for this study was obtained from internal publications on employment and recruitments of the selected bank, HRM and financial sector industry reports, news papers, magazines, journals, scholarly books, and information from the internet or World Wide Web. The data obtained from these sources were scrutinized for suitability, reliability, adequacy and accuracy.

### **3.5 Target Population**

Malhotra and Birks (2010), defined population as the group of elements that possess the information sought and about which inferences will be made. A population can be defined as including all people or items with the characteristics that the researcher wishes to study. The individual units or members within a population are defined by the research question. Target population is the population to which the researcher

would like to generalize his or her results. The target population for this study were employees of Kumawuman Rural Bank Limited.

### **3.6 Sampling Procedure**

A sample is concern with the selection of a number of cases or members from within the population to estimate characteristics of the whole population. This becomes necessary because the entire population cannot be studied due to the size, time constraints, cost and inaccessibility. This study had a population size of eighty people and this large size made it impossible for the researcher to test every individual member in the population. For this reason, a sample size of forty respondents representing fifty percent of the population was chosen for the survey. They were sampled using purposive and accidental sampling techniques. The purposive sampling was used to select respondents who have certain qualities and knowledge of the recruitment practices of the banks, thus base on the selection of key informants. This technique is used because of the criteria of choice as a function of the knowledge and expertise of the respondents in relation to the suitability of the study. The accidental sampling was used based on those people who per-adventure came into contact with the researcher at the banks' vicinity.

### **3.7 Data Collection Instruments**

Data collection instruments are the tools that the researcher uses to collect data from the field to provide answers to the questions raised in the research project. The data collection instrument used in this study was questionnaires. This consisted of the closed and open ended type of questionnaires. The researcher used questionnaire because of its suitability to the research topic understudy. In addition, it is relatively

simple to administer, easy to analyze and above all capable of producing responses that are suitable for data analysis.

### **3.8 Data Analysis Technique**

Data collected from the field were processed and collated in a meaningful way for easy comprehension. The raw data were thoroughly edited and cleaned to remove inconsistencies and errors. After editing to remove mistakes, the data were coded to facilitate enumeration and addition. The coding enabled the researcher to group responses into limited number of categories for easy analysis. The coding process was followed by tabulation. With the aid of SPSS, the final data was presented in charts and diagrams format.

### **3.9 Overview of the Selected Bank**

Kumawuman Rural Bank Limited was incorporated in October 1982 as a Rural Banking Institution and has since built a reputation as one of the Best Rural Banks in Ghana. The Bank was established under the auspices of Kumawuman BiakoyeKuo by Kumawu citizens resident in the Greater Accra Area. The late Nana Akwasi Amoakohene, the late Nana Addae Boamah, Mr. Kwabena Darkwah, Dr. Kwabena Duffuor and Mr. Kwaku Barfi were among the pioneers who worked hard to bring the Bank to Kumawu Traditional Area in the year 1981. The initial share capital of the Bank was GH¢ 60.40 plus the Bank of Ghana redeemable preference share of GH¢ 12.50 making a total of GH¢ 72.90 before the Bank started operations. Out of the total amount, GH¢ 60.40. Dr. Duffuor and his family contributed GH¢ 20.00, Mr. B. A. Mensah and family GH¢ 10.00 with the remaining amount of GH¢ 30.40 representing the interest of All Other Shareholders.

Nana Akwasi Amoakohene offered the ground floor of his building to be used as a banking hall for some time. After the inauguration of the Board of Directors, the next target was on intensive mobilization. On the official opening day, an amount of GH¢ 3.80 was mobilized. Members of the Board were challenged to develop the new bank through sacrifice and hard work, consequently, members agreed to forgo their allowances for one year. Since the bank did not have its own car Mr. Adusei Opoku occasionally released his car to be used by the bank for deposit mobilization. The Management team found it viable to open first mobilization centre at Bodomase in 1983. In addition, the following agencies were also opened between 1984-2009.

#### **Mission statement of Kumawuman Rural Bank Limited**

"The mission is to provide reliable cost efficient and effective banking services to the general public and make good returns for shareholders."

#### **Vision statement of Kumawuman Rural Bank Limited**

"The vision of the bank is to be among the best five Rural/Community Banks in Ashanti Region by the next 5 years and also among the best ten in the Country."

## CHAPTER FOUR

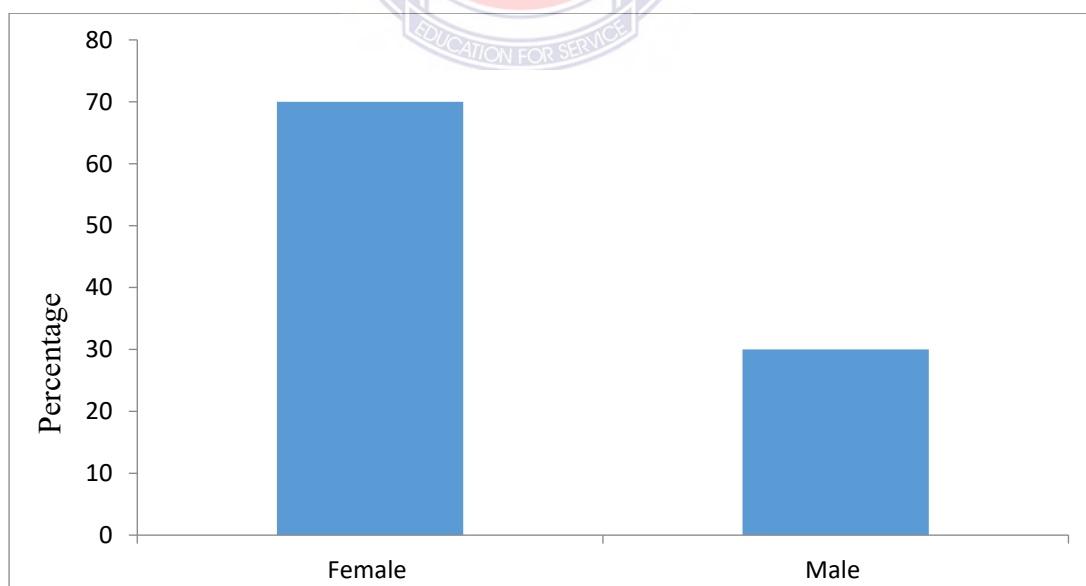
### ANALYSIS, DISCUSSION AND PRESENTATION OF RESULTS

#### 4.1 Introduction

In the previous chapter the research design and process used in this empirical study was discussed. The results of the study are presented in this chapter. Information regarding respondents' demographic characteristics is followed by a presentation of data on recruitment activities of the selected financial institutions.

#### 4.2 Gender of Respondents

Figure 4.1 reveals that the workforce of Kumawuman Rural Bank Limited is dominated by men; men constitute about (70%) seventy percent as against (30%) thirty percent female. This confirmed previous studies that the Ghanaian banking sector is male dominated area.



Source: Field Survey, 2017

Figure 4.1: Gender of respondents



### 4.3 Age of Respondents

The table presented below show the age distribution of respondents. (50%) Fifty percent fall within the age group of 20 – 29 years, (30%) thirty seven percent falls within the age group of 30 – 39 years and (12%) twelve percent fall between 40 to 49 years. This shows that half of the workforces of the bank are youthful and energetic.

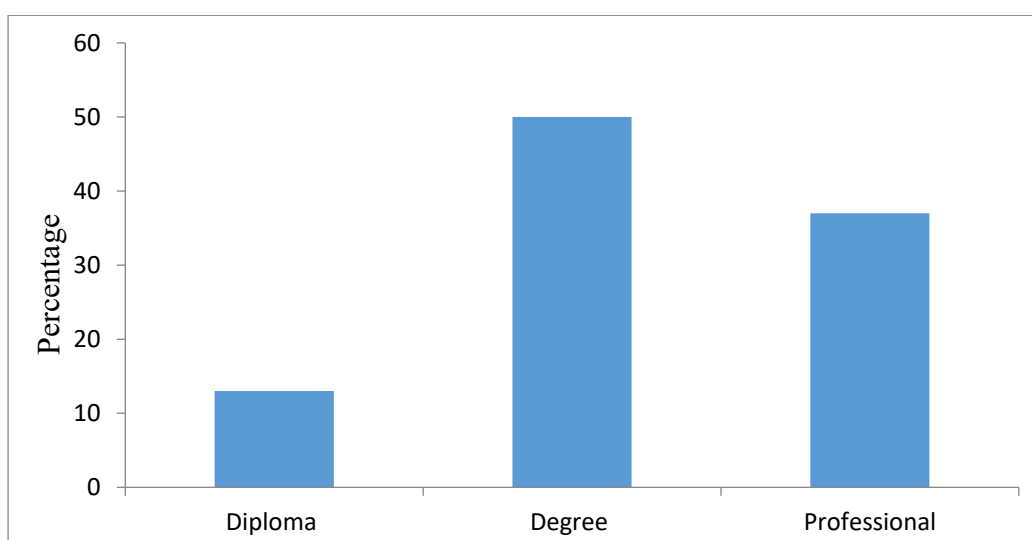
**Table 4.1: Respondents age group**

	Frequency	Percentage (%)
20 – 29yrs	20	50.0
30 – 39yrs	15	37.5
40 – 49yrs	5	12.5
<b>Total</b>	<b>40</b>	<b>100.0</b>

Source: Field Survey, 2017

### 4.4 Academic qualifications of respondents

The bar chart below depicts the academic qualification of respondents. The data show that fifty percent (50%) are degree holders, twelve and half percent (13%) are diploma holders and (37%) thirty-seven percent are holders of professional qualifications.



Source: Field Survey, 2017

**Figure 4.2: Academic Qualification of the Respondents**

#### 4.5 Number of Years Spent with the Bank

Table 4.2 states the number of years' respondents spent working with their current employers. The data showed that majority of respondents have spent less than five years with their current employers. They represent forty -five percent (45%) of the total sample size. Thirteen percent (13%) said they have been working for the past ten to fourteen years. Those who worked for fifteen and above years formed (17%) seventeen percent of the total sample. This probably suggests that people don't stay long with the banks.

**Table 4.2: Number of years spent with current employer**

	Frequency	Percentage (%)
Below 5yrs	18	45.0
5-9yrs	10	25.0
10 – 14yrs	5	12.5
15 and above yrs	7	17.5
<b>Total</b>	<b>40</b>	<b>100.0</b>

Source: Field Survey, 2017

#### 4.6 Type of Employment

Table 4.3 depicts the employment contracts of respondents. Those on permanent employment account for (50%) fifty percent, those on contract basis formed (35%) thirty five percent and the outsourced constitutes (15%) fifteen percent of the total sample. This shows that a significant number of the banks' workforce are either on contract or outsourced.

**Table 4.3: Type of Employee**

	<b>Frequency</b>	<b>Percentage (%)</b>
Permanent	20	50.0
Contract	14	35.0
Outsourced	6	15.0
<b>Total</b>	<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.7 Job Titles of Respondents

The survey indicates that there are more Cashiers and Relationship Officers among the respondents than any other position. The two alone account for fifty percent (50%) of the respondents. This is normal because the bank is in the business to render service and it these Cashiers and Relationship officers who must champion these activities. The rest of the results are presented in the Table 4.4 below.

**Table 4.4: Job Titles of Respondents**

	<b>Frequency</b>	<b>Percentage (%)</b>
Valid Cashier	10	25.0
Information Officer	5	12.5
Funds Transfer Officer	4	10.0
Credit Officer	6	15.0
Relationship Officer	10	25.0
Cash Officer	5	12.5
<b>Total</b>	<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.8 Number of Recruitments Done in a Year

The study sought the views of respondents concerning the frequency at which recruitments for new employees are made in the bank. (30%) Thirty percent of the respondents said recruitments are made once in a year, (50%) fifty percent said it is

done five times and (20%) twenty percent said it is done more than five times in a year.

**Table 4.5: Number of Recruitments in a year**

	Frequency	Percentage (%)
Valid At least one	12	30.0
Five times	20	50.0
More than five time	8	20.0
<b>Total</b>	<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.9 Sources of Recruitment

Table 4.6 depicts how the bank source for qualify people to fill vacancies. The findings show that the banks recruit from two main sources: internal (22.5%) and external (30%) sources. Those who indicate both sources are nearly forty eight percent. This finding shows that the bank does not rely on one source to fill vacancies; the two sources are explored to get the best fit for the job.

**Table 4.6: Sourcing of people to fill vacancies**

	Frequency	Percentage (%)
Internally	9	22.5
Externally	12	30.0
Both	19	47.5
<b>Total</b>	<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.10 Filling Vacancies through Internal Means

The findings show that staff transfers and promotions are the most popular internal ways of filling vacancies in the bank. They account for (65%) sixty- five percent of the sample. (10%) Ten percent of the respondents said internal recruitments are done

by upgrading, (15%) fifteen percent said is by demotion, and (10%) ten percent by relatives as shown in Table 4.7 below.

**Table 4.7: Recruiting from within**

		Frequency	Percentage (%)
Valid	Transfers	15	37.5
	Promotions	11	27.5
	Upgrading	4	10.0
	Demotions	6	15.0
	Relatives	4	10.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.11 Internal Factors Influencing Recruitments

Table 4.8 indicates the factors that influence recruitments in the selected bank. Expansion or growth (52%), cost (35%), and the company size (12.5%) are the main factors that influence recruitments in the bank.

**Table 4.8: Internal Factors Influencing Recruitment**

		Frequency	Percentage (%)
Valid	Cost	14	35.0
	Expansion	21	52.5
	Company size	5	12.5
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.12 Blind advertisement

Blind advertising is when a company advertises vacancies without disclosing its identity. This question was aimed at finding out from the respondents as to whether the bank dose blind adverts to attract prospective applicants. (65%) Sixty five percent of the respondents think their bank does not engaged in blind advertising whiles

(35%) thirty five percent indicate that their bank occasionally engaged in the practice. This information implies that blind advertising is not a widely accepted practice in the selected bank.

**Table 4.9: Blind Advertising**

		Frequency	Percentage (%)
Valid	No	26	65.0
	Yes	14	35.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.13 Poaching

Poaching of employees from rivalry banks is a popular tool for recruitment in the rural banking sector. Table 4.10 states the views of respondents on the topic. As high as (73%) seventy- three percent confirmed that their bank regularly poached staff from other banks. (27%) Twenty-seven percent of the respondents however denied the practice. This information show that employee raiding is flourishing in the banking notwithstanding the ethical problems the practice poses.

**Table 4.10: Staff poaching in the banking sector**

		Frequency	Percentage (%)
Valid	No	11	27.5
	Yes	29	72.5
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

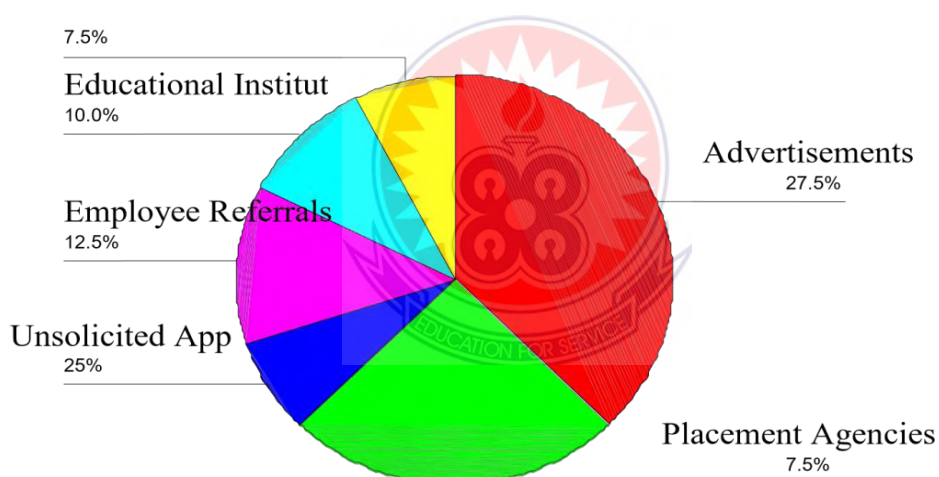
#### 4.14 Sourcing from external sources

Figure 4.3 depicts the recruitment methods used by the bank to attract qualified people from the labour market. The study show that job advertisements is the most popular

recruitment method, accounting for nearly (28%) twenty-eight percent. This is followed by unsolicited applicants (25%), employee referrals (12.5%), and educational institutes (10%), recruitment agencies (7.5%) and job fairs (7.5%)

#### 4.15 Sourcing from External Sources

Figure 4.3 depicts the recruitment methods used by the bank to attract qualified people from the labor market. The study show that job advertisements is the most popular recruitment method, accounting for nearly (28%) twenty-eight percent. This is followed by unsolicited applicants (25%), employee referrals (12.5%), and educational institutes (10%), recruitment agencies (7.5%) and job fairs (7.5%).



**Source:** Field Survey, 2017

**Figure 4.3: Sourcing from External**

#### 4.16 Medium of Advertising

A bank needs to communicate job openings to the outside world through a medium. How far and wide the job announcement goes depends on the medium selected. Table 4.11 shows the popular medium used by the bank to advertise and attract job seekers. It is obvious from the table that the bank advertises job openings through the national

dailies (50%), followed by the internet (company and private websites), employee referrals (12.5%), private agencies (10%), and families of employees (5%).

**Table 4.11: Medium of Advertisement**

		<b>Frequency</b>	<b>Percentage (%)</b>
Valid	Newspapers	20	50.0
	Employee Referrals	5	12.5
	Bank Website	6	15.5
	Private Agencies	4	10.0
	Specialized Website	3	7.5
	Family of Staff	2	5.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.17 Most effective recruitment method

A method is judged as effective if it can fulfill the following conditions: wide coverage, lower cost, short lead-time, attracts the right caliber of people, and compliance with regulatory requirements. Table 4.12 shows that job advertisement (27.5%) and recruitment agencies (27.5%) are the most effective recruitment methods. The rest are the internet (12.5%), educational institute (10%), job centers (7.5%), employee referral (7.5%), national service (5%) and word of mouth (2.5%)

**Table 4.12: Most Effective Recruitment Method**

		<b>Frequency</b>	<b>Percentage (%)</b>
Valid	Job Advertisement	11	27.5
	Job Centers	3	7.5
	Word of Mouth	1	2.5
	Recruitment Agency	11	27.5
	National Service	2	5.0
	Website	5	12.5
	Employees Referrals	3	7.5
	Educational Institutes	4	10.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017



#### 4.18 Least Effective Recruitment Methods

Table 4.13 shows the methods that are less effective. The study indicates that word of mouth (45%), job centers (40%), national service (7.5%), educational institutes (5%) and job posters (2.5%) are the most ineffective recruitment methods.

**Table 4.13: Less Effective Recruitment Methods**

		Frequency	Percentage (%)
Valid	Job posters	1	2.5
	Job Centers	16	40.0
	Word of Mouth	18	45.0
	National Service	3	7.5
	Education Institutes	2	5.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

#### 4.19 Recruitment and External Influences

The recruitment activities of the banks are influenced by the external environment. Table 4.14 outlines these external factors as skilled labor (30%), good will of the company (25%), competitors (22.5%), the unemployment rate (15%) and statutory regulations (7.5%).

**Table 4.14: External Factors Influencing Recruitment**

		Frequency	Percentage (%)
Valid	Skill Labour	12	30.0
	Good will	10	25.0
	Environment	3	7.5
	Competitors	9	22.5
	Unemployment Rate	6	15.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017

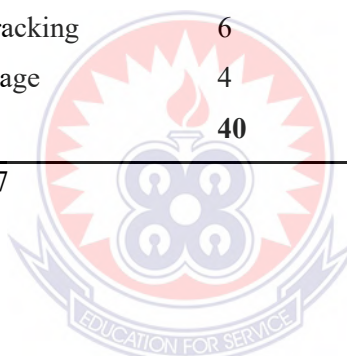
#### 4.20 Challenges to Effective Recruitment

Table 4.15 outlines the major challenges to effective recruitment in the selected bank. The data show that external interference (37.5%) and large application volumes (25%) are the biggest obstacles to recruitment in the bank. The other challenges include lack of proper application tracking system (15%), multiple sourcing (12.5%) and poor media coverage (10%).

**Table 4.15: Challenges of Recruitment**

		Frequency	Percentage (%)
Valid	Multiple Sourcing	5	12.5
	High Number of Applicants	10	25.0
	Interference	15	37.5
	Poor application tracking	6	15.0
	Poor Media Coverage	4	10.0
<b>Total</b>		<b>40</b>	<b>100.0</b>

**Source:** Field Survey, 2017



## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

#### **5.1. Introduction**

This chapter present the findings of the research work conducted at five major branches of Kumawuman Rural Bank Limited. The study sought among other things to evaluate the recruitment methods of Kumawuman Rural Bank, and help identify the best recruitment strategies that organizations can employ to ensure the existence of the best possible pool of qualified applicants from which they can fill vacancies as and when required. Drawing on a sample size of eighty respondents and with the aid of questionnaires, significant among of data was gathered and analyzed by the researcher. The major findings of the study are presented below.

#### **5.2 Recruitment Needs of the Bank**

The study revealed that the selected bank share similar recruitment needs which can be categorized broadly as planned, anticipated and unexpected needs. The planned needs of the bank arise due to changes in the organization and retirement policies. Anticipated needs are those movements in personnel, which the HR can predict by studying trends in internal and external environment. The unexpected needs occur as a result of resignation, deaths, accidents, and illness of staff members.

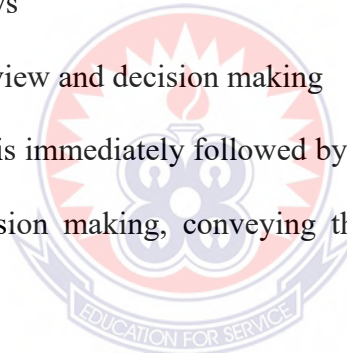
##### **5.2.1 Recruitment Process**

The recruitment process is the first step towards creating competitive strengths and strategic advantages for the selected bank. Though the process differs slightly from

one bank to another, they all seem to follow similar pattern. In broad terms, the recruitment process begins with the human resource units receiving requisitions for recruitment from other Department of the bank. The requisition specifies the post and the number of persons required, duties to be performed, qualification, among other things. Below are the steps involved in the recruitment process:

1. Identify vacancy
2. Prepare job description and person specification
3. Advertising the vacancy
4. Managing the response
5. Short-listing
6. Arrange interviews
7. Conducting interview and decision making

The recruitment process is immediately followed by the selection process i.e. the final interviews and the decision making, conveying the decision and the appointment formalities.



### **5.2.2 Sources of Recruitment**

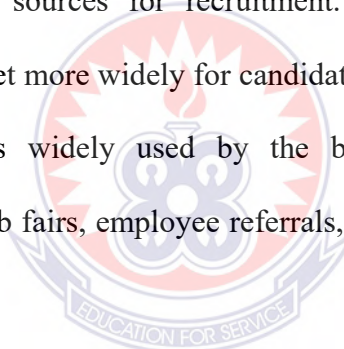
The findings of this research have shown that the bank make their recruitment from two major sources: internal and external sources.

Internal recruitment involved filling vacancies from within through promotions, transfers, upgrading and demotions. There are sound reasons for recruiting from sources within the bank.

In the first place, the ability of the recruit is known so it is easy to assess potential for the next level. By contrast, assessments of external recruits are based on less reliable sources, such as references, and relatively brief encounters, such as interviews.

Secondly, “Insiders” know the organization, its strengths and weaknesses, its culture and, most of all, its people. Furthermore, promotions from within build motivation and foster a sense of commitment to the bank. Skilled and ambitious employees are more likely to become involved in developmental activities if they believe that these activities will lead to promotion.

Finally, internal recruitment is cheaper and quicker than advertising in various media and interviewing “outsiders”. Time spent in training and socialization is also reduced. However, internal recruitment does not always produce the number or quality of personnel needed by the bank and can also lead to infighting; in such an instance, the banks rely on external sources for recruitment. The external recruiting entails searching the labor market more widely for candidates with no previous connection to the bank. The methods widely used by the bank include job advertisement, employment agencies, job fairs, employee referrals, on-line/ internet recruitment, and college recruitment.



### **5.2.3 Factors Affecting Recruitment**

Recruitment activities of the selected bank were influenced by both internal and external factors. The internal factors fall within the control of the bank and these include the cost of recruitment, size of the bank, growth and expansion plans, and recruitment policy. The external on the other hand lies outside the control of the bank and they include company image or goodwill, political-social and legal environment, competitors, unemployment rate and the labour market.

#### **5.2.4 Evaluation of recruitment methods**

The study shows that the vacancies in the bank were filled through different recruitment methods. The widely used ones include the following:

##### **1. Job Advertisement**

The findings show that when the bank decides to communicate their vacancies to the public, advertising is the most popular methods used. The most popular medium for advertisements is advertising in the leading newspapers. The goal is always to select a medium that is widely circulated, with full national coverage and likely to be read by people with the requisite qualification and skills. The Daily Graphic and B&FT are the preferred choice because of their wider coverage and large audience. The main advantage of job advertisement lies in its ability to generate large pool of applicants from which the bank can select people for employment. This method has some few draw backs. It is relatively expensive and time consuming. Despite these shortcomings, job advertisement remained the preferred and effective method of recruitment in the selected banks.

The bank also engage in what is referred to as a blind advertisement, one in which there is no identification of the organization. The justifications for using blind advertisement include the need to cut down the number of applications and also the desire not to publicize the fact that the bank is seeking to fill a high position. However, blind advertising has some fundamental challenges, chief among it is that many individuals are reluctant to answer them. Sometimes there is fear that the advertisement has been placed by the organization in which the individual is currently working.

## **2. Employee Referrals**

Employee referral is also one of the best sources for external recruitment used by the selected banks to fill vacancies. It is simply a recommendation of someone from a current employee for employment. Often referred to as “word of mouth”, employee referral is an accepted practice in all the banks because it is deemed to be cost-effective; it saves advertising cost. Also, since the reputation of the recommender is at stake the recommendation is expected to be based on sound judgment.

Though good as the intentions may be, employee referral as a method of recruitment is open to abuse for personal rather than organizational gains. In Ghana, the concept of employee referral is so abused to the extent that it is referred to as “whom you know”, a practice of recommending one’s family relations, classmates, tribesmen, for employment. This implies that if you don’t “know someone” or “someone doesn’t know” you through family, religious, tribal or political ties, you are likely not to be recommended for employment, no matter how competent or qualified you are. The study confirmed that the tendency to abuse the practice of employee referral for personal gains is quite high in the selected bank, and that the practice of “whom you know” is no longer a perception but a reality in Ghana.

## **3. Employment Agencies**

Besides job advertisement, employment agencies are the next most important source of external recruitment for Kumawuman Rural bank. Also referred to as “head-hunters”, recruitment agencies provide the bank with details of suitable candidates for vacancies at a fee or on commission.

The main advantage of using employment agencies is that they can match candidates to jobs much faster than the banks can do. In addition, employment agencies maintain large database of applicants which makes it easy for them to locate the competencies needed by the bank.

#### **4. Educational Institutes/ College Recruiting**

Educational bodies are another important recruitment sources to the banks. It typically involved sending a representative of the bank to university campuses to prescreen applicants and create an applicant pool from the graduating students of that year. This forms an important source for recruiting management trainees, entry level candidates, and professional and technical employees in to the bank.

#### **5. Unsolicited Applicants/ Walk-Ins**

The bank generally receives unsolicited application from job seekers at various points of time. The number of such applications usually depends on economic conditions in the country, the image of the bank, and the applicant's perception of the type of job that might be available. Such applications are used to create a talent pool or database and whenever a suitable vacancy arises, the bank would inform the candidate. This is perhaps the cheapest and the easiest means to recruit people to fill vacancies in the bank.

Unsolicited applicants are sometimes considered a nuisance to the daily work activities of the banks due to the frequency and sheer volumes involved. The huge volumes of applications that the banks receive on daily basis are fuelled largely by lack of jobs and also the general perception that bank pay higher salaries than other

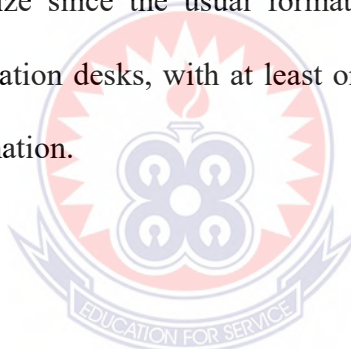


sectors of the economy. Managing such applications becomes a nightmare and time-consuming to the bank.

## **6. Job Fairs**

The study showed that the bank organized job fairs periodically to bring job seekers together for recruitment. The Job fairs afford the bank the opportunity to exhibit the best their companies have to offer so that job seekers can make informed choices. They are considered one of the most effective ways for job seekers to land jobs.

The main setback of job fair is that it is organized periodically and this may not coincide with the time that vacancies exist in the banks. Job fairs are quite difficult and expensive to organize since the usual format of job fairs is to have several companies set up information desks, with at least one representative of the company present to provide information.



## **7. E-recruitment**

The use of the internet as recruitment method is gaining grounds in the selected bank. The study shows that vacancies are advertised on the web either through the banks' own website or on specialized job websites. Job seekers are also permitted to upload their curriculum vitas and applications directly to the banks' applications database for processing. The benefits of e-recruitment to the banks are huge. Using the Internet is faster and cheaper than many traditional methods of recruiting. Jobs can be posted on Internet sites at minimum cost and are available twenty-four hours a day. Prospective job seekers can view detailed information about the job and the bank and then respond electronically. Submitted applications and resumes are processed immediately.

Internet recruiting is not all positive; there are drawbacks for the bank to take note. Some applicants still place great value on face-to-face interactions in the hiring process. Such applicants are likely to ignore jobs posted, impersonally, on-line.

Secondly, the volume of résumés generated by the Internet can be overwhelming for the bank to handle or processed. This can, in fact, lengthen the short-listing process. If the screening process is not well done, the quantity of applications/résumés logged-on may be more of a hindrance to the process than an aid to selection.

Finally, job seekers who demand confidentiality in the recruitment process may be reluctant to use the Internet as a job search mechanism.

## **8. Staff Poaching**

Staff poaching is not exactly a recruitment method in a technical sense, but nonetheless a very popular way of addressing staffing needs in Kumawuman Rural Bank. The study revealed that poaching in the rural banking sector is on the ascendancy, employed by banks to gain competitive advantage over one another. The practice involved the inducement of experience and skillful staff of a competing bank to “defect”. This may not be ethical but the banks freely and openly poach from one another. It has therefore become a challenge for banks to face and tackle poaching, since the practice can weaken their competitive strengths.

### **5.2.5 Challenges recruitment**

Effective recruitment requires business perspective and expertise to find and match the best potential candidate for the organization. It also requires diplomacy, marketing skills and wisdom to align the recruitment processes to the strategic goals of the organization. The human resource managers handling the recruitment function of the

selected banks- are constantly facing new challenges in recruitment. The biggest of these challenges relates to the source and how to recruit the best people or potential candidate for the bank. In the last few years, the job market has undergone some fundamental changes in terms of technologies, sources of recruitment, competition etc. In an already saturated job market, where the practices like poaching and raiding are gaining momentum managers of recruitment practices are constantly facing new challenges in one form or the other. They have to face and conquer various challenges to find the best candidates for their organizations.

Findings from the study have highlighted the following challenges faced by Rural banking sector in Ghana.

### **1. Adaptability to globalization**

Rural banking in Ghana are expected and required to keep in tune with the changing times of recruitment practices i.e. e-recruitment, automated application processing and other changes taking place across the globe. This proved to be a formidable challenge to recruiters in the selected bank.

### **2. Cost Control**

This relates to the challenge of ensuring that the cost of recruitment fall within approved budget and do not go out of control. The main challenge for bank is how to keep track of hiring cost and activities.

### **3. Time Constraints**

Most of the recruitment methods tend to have longer lead-time, resulting in hiring delays and work-flow disruptions. Time constraint is therefore one of the major recruitment challenges faced by bank.

#### **4. External influence**

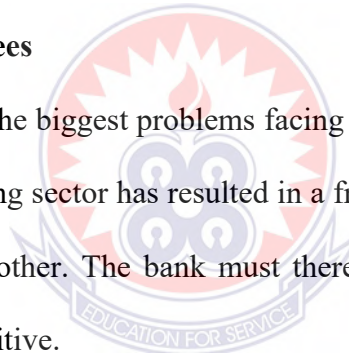
The recruitment process is susceptible to abuse and interference. The challenge is how to protect the sanctity and fairness of the process, ensuring that the interest of the organization is not compromised for personnel gains.

#### **5. Talent Acquisition**

It is becoming difficult these days for the banks to acquire the services of hardworking, experienced and skillful personals. Work in the bank is stressful and full of risk. The challenge is therefore how to attract the right talents with the different recruitment methods.

#### **6. Retention of Employees**

Staff retention is one of the biggest problems facing Rural banking in Ghana. The stiff competition in the banking sector has resulted in a free for all “poaching” or “raiding” of workers from one another. The bank must therefore find ways of managing this challenge to stay competitive.



#### **5.3 Conclusion**

In conclusion, this study has highlighted the growing importance of the web as a unique tool for effective recruitment methods in Rural banking industry in Ghana. The study has also indicated that the traditional recruitment methods are less effective in sourcing for competent workforce when used separately. Therefore, multiple methods should be used to attract large pool of qualified applicants for selection.

## 5.4 Recommendations

The following recommendations can help Kumawuman Rural Bank Limited improve their recruitment practices/methods:

1. In order to make recruitment more effective, there is the need to implement a functional human resource information system to support recruitment. An effective information system would flag imminent vacancies throughout the bank to ensure that the recruitment process is timely. In addition, it would assist in analyzing hiring, transfer and exit trends and provide other information that are helpful in planning, evaluating and auditing the recruitment process. Finally, it would help identify any adverse impacts of the recruitment process.
2. Recruitment must commence with clear strategy and objectives. The strategy must include the type of candidates to target, the sources to recruit from and the resources required to accomplish the task. The objective of the recruitment process should be specific, measurable, attainable, relevant, and time-bound.
3. The bank is encouraged to use different recruitment methods when sourcing for candidates. Recruiting through different sources would ensure that vacancy announcements reaches a wider audience and may turn up a greater number of potential candidates from which the bank can choose.
4. The internet holds the key to successful future recruitment. To this end, the bank is encouraged to incorporate e-recruitment into their overall recruitment strategies to reap the full benefit that goes with it. A comprehensive website to receive and process job applications as well as application tracking system should be developed.

5. It is frequently said that the best jobs are not advertised; their availability is communicated by word of mouth. Networking, therefore, continues to be a viable mechanism for recruiting, especially at the senior management level. It is therefore an imperative for bank officials to deepen their contacts and networks with friends, business associates and partners as a mechanism to facilitate recruitment.
6. There are several alternatives to recruitment that bank can take advantage of to save money and reduce workload. Some of these options in this regard include overtime, subcontracting, temporary employees, employee leasing and outsourcing. These options are cheaper and easy to implement compared to recruitment.



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## APPENDIX

### UNIVERSITY OF EDUCATION, WINNEBA

**TOPIC:** EVALUATION OF RECRUITMENT METHODS IN RURAL BANKING SECTOR OF GHANA. (FOCUS ON KUMAWUMAN RURAL BANK LIMITED)

#### QUESTIONNAIRE

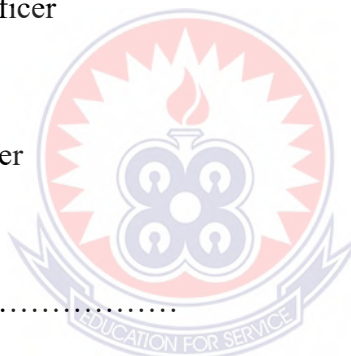
Dear respondent, this questionnaire is designed to collect information on the research topic: “Evaluation of Recruitment Methods in Rural Banking Sector in: A case study at Kumawuman Rural Bank Limited.” The research is part of the requirements for the award of Master in Business Administration by University of Education Winneba. Please your responses would be treated confidential. Your co-operation would be greatly appreciated. Thank for your time.

#### SECTION A; RESPONDENT’S PERSONAL INFORMATION

1. Please what is your gender? *(Tick where appropriate)*  
 male     female
2. Please select your age group  
 below 20 yrs    20 – 29 yrs    30 – 39 yrs    40 – 49 yrs    50 yrs and above
3. What is your marital status?  
 single    married    divorced
4. What is your academic qualification?  
 diploma    degree    professional qualification
5. How long have you worked with your current employer?  
 below 5 yrs    5 – 10 yrs    10 – 15 yrs    15 yrs and above

6. What is your current job grade in the bank?
- Executive Assistant  Executive Trainee
  - Assistant Banking Officer
  - Banking Officer
  - Deputy Manager
  - Manager/ Senior Manager
  - Others, please state.....
7. Which of the following job positions do you fall into?

- Cashier
- Customer information officer
- Funds Transfer officer
- Credit officers
- Relationship officer
- Cash officer
- others, specify.....



8. Your position in the bank is.....
- Permanent
  - Contract
  - Outsourced

## **SECTION B; RECRUITMENT METHODS OF SELECTED BANKS**

10. How will you describe the recruitments needs of the bank you work in? [ ]  
planned [ ] anticipated [ ] unexpected
11. How often does your bank recruit people to fill vacancies in a year?  
[ ] at least once [ ] at least five times in a year [ ] more than five times

12. Vacancies occur in the bank as a result of the following factors (please tick)

transfers/ redeployment

retirements

resignations

business expansion

dismissals

death

13. How does your bank source for people to fill existing vacancies?

source for people internally

source for people externally

both

14. When sourced internally, vacancies are filled through (please select)

transfers

promotions

upgrading

demotions

retired employees

dependents or relatives of deceased employees



15. When sourced externally, vacancies are filled through.....

Advertisements

placement agencies/ outsourcing

unsolicited applicant

employee referrals

Educational Institutes

job fairs

- job centers
- others, please specify.....

16. Which of the methods below does your bank use frequently?

- Radio Advertisement
  - Newspaper Advertisement
  - TV Advertisement
  - Employee referrals
  - Bank website
  - Recruitment Posters
  - Private recruitment agencies
  - Specialized recruitment websites
  - Friend/family of staff
17. What do you think is the reason for your bank's selection of a particular method(s) of recruitment in the above?

- wide reach
- saves lot of time
- attract the right people
- Increase the pool of job candidates at minimum cost.
- help the bank to meet its legal and social obligations
- help increase the success rate of selection process.
- others, please state.....

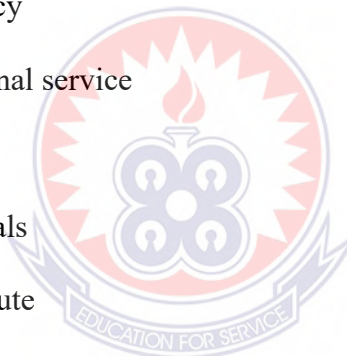
18. Which of the following do you think is the most effective recruitment method?

- local paper
- job centres
- word of mouth

- recruitment agency
- apprentices/national service
- website
- employees referrals
- educational institute
- others

19. Which of the sources listed below do you think are less effective?

- local paper
- job centres
- word of mouth
- recruitment agency
- apprentices/national service
- website
- employees referrals
- educational institute
- others



20. Which of the following external factors influence recruitment in your bank?

- availability of skilled labour
- company image/ goodwill
- political-legal-social environment
- competitors
- unemployment rate

21. The internal factors that influence recruitment decisions are the .....

- cost of recruitment
- growth and expansion

size of the company

others, please state.....

22. Does your company put out adverts without revealing its identity?

yes  no

If yes what is the reason for doing that?.....

23. Does your company engage in 'poaching' or 'buying talents' from its competitors?

yes

no

If yes, what is the reasons for doing that?.....

24. What are the challenges facing recruitment in your organization?

multiple candidate sourcing channels due to shortage of talents

increased volume of application due to high unemployment

use of connections and informal contacts to get employment

difficulty in keeping track of recruitment cost and activities

poor wider coverage of recruitment methods

others, please state.....

25. How can these challenges be overcome?

encouraging walk-in applicants

advertising on-line via the internet

ensuring openness and transparency

computerizing handling and tracking applications

outsourcing recruitment activities

setting recruitment goals and budget

26. What recommendations will you make to improve recruitment activities in your company?

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.....

.....

.....

